

PART I

FEDERAL REGISTER

VOLUME 25

NUMBER 65

Washington, Saturday, April 2, 1960

Contents

Agricultural Marketing Service

NOTICES:

Salem Livestock Auction et al.;
posting of stockyards..... 2814

PROPOSED RULE MAKING:

Payment for livestock; extension
of time for filing comments.... 2803

RULES AND REGULATIONS:

Lemons grown in California and
Arizona; limitation of handling... 2789Milk in the Ohio Valley marketing
area; order amending order..... 2789Oranges grown in Florida; limita-
tion of shipments..... 2788

Agriculture Department

See Agricultural Marketing Serv-
ice; Commodity Credit Corpo-
ration.

Atomic Energy Commission

NOTICES:

General Dynamics Corp.; applica-
tion for construction permit
and utilization facility license... 2817Uranium hexafluoride; base
charges, special charges, spec-
ifications and packaging; U.S.
Federal Register..... 2817

Civil Aeronautics Board

NOTICES:

Hearings, etc.:

California Eastern Aviation,
Inc., and President Airlines,
Inc..... 2809

Capital Airlines, Inc..... 2810

RULES AND REGULATIONS:

Navigation of foreign civil air-
craft within the U.S..... 2790

Civil Service Commission

RULES AND REGULATIONS:

Group health benefits (see Part II
of this issue).

Commerce Department

See also Federal Maritime Board.

NOTICES:

Statements of changes in finan-
cial interests:

Blumoehr, Clarence..... 2815

Harding, George E..... 2815

Minetti, Al Serafin..... 2815

Montag, Harold A..... 2816

Oheim, Curt L..... 2815

Vorzimmer, Harold J..... 2815

Commodity Credit Corporation

RULES AND REGULATIONS:

Honey; 1960 price support
program..... 2785

Customs Bureau

NOTICES:

Tuna fish; tariff-rate quota..... 2809

RULES AND REGULATIONS:

Customs bonds; term bond for
temporary importation..... 2796Liability for duties; entry of im-
ported merchandise; packing
and stamping; marking; trade-
marks and trade names; copy-
rights..... 2795

Defense Department

See Engineers Corps.

Engineers Corps

RULES AND REGULATIONS:

St. Petersburg Harbor and Tampa
Bay, Fla.; navigation regu-
lations..... 2797

Federal Aviation Agency

PROPOSED RULE MAKING:

Airworthiness directives..... 2804

Control zones..... 2808

Federal airways, control areas and
reporting points (6 documents)..... 2805-
2808

RULES AND REGULATIONS:

Coded jet route; revocation..... 2795

Control area extension; modifi-
cation..... 2794Federal airways and associated
control areas; extension (2
documents)..... 2794

Federal Communications Com- mission

NOTICES:

Hearings, etc.:

Johnson, Rodney F. (KWJJ)..... 2811

Lake Huron Broadcasting Corp.
and Gerity Broadcasting Co.... 2811

Settle, Howard E..... 2810

Washington State University;
First Presbyterian Church of
Seattle, Wash..... 2812

Federal Maritime Board

NOTICES:

Waterman Steamship Corp. of
Puerto Rico et al.; agreements
filed for approval..... 2815

Federal Power Commission

NOTICES:

Coastal Transmission Corp. et al.;
hearings, etc..... 2812

Federal Trade Commission

RULES AND REGULATIONS:

Reichart Furniture Co. et al.; pro-
hibited trade practices..... 2795

Food and Drug Administration

PROPOSED RULE MAKING:

Tolerances and exemptions from
tolerances for pesticide chemi-
cals in or on raw agricultural
commodities..... 2804

RULES AND REGULATIONS:

Color certification; certain D&C
coal tar colors..... 2796

Health, Education, and Welfare Department

See Food and Drug Administration.

(Continued on next page)

2783

Indian Affairs Bureau

PROPOSED RULE MAKING:
Consent of Joint Business Council
of the Shoshone and Arapahoe
Tribes to the leasing of ceded
lands 2803

Interior Department

See Indian Affairs Bureau; Land
Management Bureau.

Internal Revenue Service

PROPOSED RULE MAKING:
Taxes under the International
Claims Settlement Act 2800

Interstate Commerce Commission

NOTICES:
Florida; transportation of live-
stock feed and hay at reduced
rates 2820
Fourth section applications for
relief 2819

Motor carrier transfer proceed-
ings 2820

Labor Department

See Public Contracts Division;
Wage and Hour Division.

Land Management Bureau

NOTICES:
Assignment, transfer and disposal
of real property and related
personal property; delegation
of authority 2814
RULES AND REGULATIONS:
Filing of applications for mineral
leases and permits 2797

Panama Canal

RULES AND REGULATIONS:
Operation and navigation of Pan-
ama Canal and adjacent waters;
determination of excessive
draft 2799

Public Contracts Division

PROPOSED RULE MAKING:
Office, computing, and accounting
machines industry 2804

**Securities and Exchange Com-
mission**

NOTICES:
Metropolitan Edison Co. and Gen-
eral Public Utilities Corp.; hear-
ing, etc. 2813

Small Business Administration

NOTICES:
Florida; declaration of disaster
area 2814

Treasury Department

See Customs Bureau; Internal
Revenue Service.

Wage and Hour Division

NOTICES:
Learner employment certificates;
issuance to various industries. 2816

Codification Guide

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

Monthly, quarterly, and annual cumulative guides, published separately from the daily issues, include the section numbers as well as the part numbers affected.

5 CFR		21 CFR	
89 (see Part II of this issue).		9	2796
6 CFR		PROPOSED RULES:	
434	2785	120	2804
7 CFR		25 CFR	
933	2788	PROPOSED RULES:	
953	2789	184	2803
1024	2789	26 (1954) CFR	
9 CFR		PROPOSED RULES:	
PROPOSED RULES:		302	2800
201	2803	33 CFR	
14 CFR		207	2797
375	2790	35 CFR	
600 (2 documents)	2794	4	2799
601 (3 documents)	2794	41 CFR	
602	2795	PROPOSED RULES:	
PROPOSED RULES:		50-202	2804
507	2804	43 CFR	
600 (6 documents)	2805-2807	188	2797
601 (6 documents)	2805-2808	193	2797
16 CFR		195	2797
13	2795	196	2797
19 CFR		198	2797
8	2795	199	2797
11	2795	200	2797
25	2796		

Announcement**CFR SUPPLEMENTS**

(As of January 1, 1960)

The following Supplements are now available:

Title 18	\$0.55
Title 26, Parts 20-169	1.75
Title 46, Part 150 to End65
Title 49, Part 165 to End	1.00

Previously announced: Title 3 (\$0.60); Titles 4-5 (\$1.00); Title 7, Parts 1-50 (\$0.45); Parts 51-52 (\$0.45); Parts 53-209 (\$0.40); Title 8 (\$0.40); Title 9 (\$0.35); Titles 10-13 (\$0.50); Title 20 (\$1.25); Titles 22-23 (\$0.45); Title 26 (1939), Parts 1-79 (\$0.40); Parts 80-169 (\$0.35); Parts 170-182 (\$0.35); Parts 300 to End (\$0.40); Title 26, Part 1 (§§ 1.01-1.499) (\$1.75); Parts 1 (§ 1.500 to End)-19 (\$2.25); Parts 170-221 (\$2.25); Titles 30-31 (\$0.50); Title 32, Parts 700-799 (\$1.00); Part 1100 to End (\$0.60); Title 36, Revised (\$3.00); Title 38 (\$1.00); Title 46, Parts 146-149, Revised (\$6.00); Title 49, Parts 1-70 (\$1.75); Parts 91-164 (\$0.45).

Order from the Superintendent of Documents,
Government Printing Office, Washington 25, D.C.

Rules and Regulations

Title 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Cor- poration, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[1960 Honey Bulletin 1]

PART 434—HONEY

Subpart—1960 Honey Price Support Program

This bulletin (hereinafter called subpart) contains the regulations applicable to the 1960 Honey Price Support Program whereby the Secretary of Agriculture makes price support for extracted honey available through the Commodity Credit Corporation and the Commodity Stabilization Service (referred to in this subpart as CCC and CSS respectively).

Sec.	
434.1101	Administration.
434.1102	Availability of price support.
434.1103	Eligible honey.
434.1104	Ineligible honey.
434.1105	Approved storage.
434.1106	Disbursement of loans.
434.1107	Financial institutions.
434.1108	Applicable forms and other requirements.
434.1109	Liens.
434.1110	Service charges.
434.1111	Set-offs.
434.1112	Determination of quantity.
434.1113	Determination of grade and color.
434.1114	Maturity of loans.
434.1115	Interest rate.
434.1116	Transfer of producer's interest.
434.1117	Safeguarding the honey.
434.1118	Insurance.
434.1119	Loss or damage to honey.
434.1120	Personal liability of the producer for the honey.
434.1121	Release of the honey under loan.
434.1122	Liquidation of loans and delivery under purchase agreements.
434.1123	Foreclosure.
434.1124	Charges not to be assumed by CCC.
434.1125	Support rates.
434.1126	CSS commodity offices.

AUTHORITY: §§ 434.1101 to 434.1126 issued under sec. 4, Stat. 1070 as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072 secs. 201, 401, 63 Stat. 1052, 1054; 15 U.S.C. 714c, 7 U.S.C. 1446, 1421.

§ 434.1101 Administration.

This subpart will be administered by the Sugar Division, CSS, under the general direction and supervision of the Executive Vice President, CCC. In the field the program will be carried out by State and County Agricultural Stabilization and Conservation Committees (hereinafter called State and county committees) and by CSS commodity offices. Producers interested in participating in the program should contact their county office through which the price support documents will be distrib-

uted. A producer with whom the county office has experienced difficulties in settling a loan shall be ineligible for a honey loan, but he shall be eligible to enter into a purchase agreement. Approval of documents shall be by the county office manager, or other employee designated by him to act in his behalf. Such designations shall be on file in the county office. Copies of all honey price support documents shall be retained in the county office. County office managers, State and county committees, and CSS commodity offices do not have authority to modify or waive any of the provisions of this subpart or any amendments or supplements hereto.

§ 434.1102 Availability of price support.

(a) *Method of support.* Price support will be available through loans and purchase agreements.

(b) *Area.* Loans and purchase agreements will be available wherever eligible honey is produced in the continental United States.

(c) *Where to apply.* Application for price support should be made at the county office serving the county in which the honey is stored.

(d) *When to apply.* Loans and purchase agreements will be available from April 1, 1960, through December 31, 1960. Applicable documents must be signed by the producer and delivered to the county office not later than December 31, 1960.

(e) *Eligible producer.* (1) An eligible producer shall be any individual or other legal entity, including a partnership, association, or corporation, who, in 1960, extracts honey produced by bees owned by him. Executors, administrators, trustees, or receivers, who represent an eligible producer or his estate may qualify for price support provided the loan or purchase agreement documents executed by them are legally valid.

(2) A bona fide producer-owned and producer-controlled cooperative marketing association of honey producers operating in good faith as a cooperative marketing association of producers which satisfies the following conditions shall be deemed an eligible producer and shall be eligible for loans and purchase agreements on all eligible honey received from eligible producer-members:

(i) The major portion of the honey handled by the association is delivered to the association by producer-members;

(ii) The producer-members are bound by contract to deliver their eligible honey to the association free from all liens and encumbrances;

(iii) The producer-member must share proportionately in the proceeds from marketings of eligible honey according to the grade and quantity of such honey each delivers to the association.

(iv) The association must have authority to obtain a loan on the security of the eligible honey and to give a lien

thereon as well as authority to sell such honey.

(3) All determinations with respect to the eligibility of cooperative marketing associations of producers shall be made by or under the direction of the State committee.

§ 434.1103 Eligible honey.

Any honey except that described in § 434.1104 which meets the following requirements at the time it is placed under loan or tendered for purchase under a purchase agreement, is eligible for price support.

(a) The honey shall be of the 1960 crop produced and extracted in the continental United States by an eligible producer.

(b) The honey shall be packed in metal containers of a capacity of not less than 5 gallons nor greater than 70 gallons and of a style used in normal commercial practice in the honey industry. The 5-gallon containers shall contain 60 pounds of honey and larger containers shall be filled to their rated capacities.

(1) The 5-gallon containers shall be new, clean, sound, uncased and free from appreciable dents and rust. The handle of each container shall be firm and strong enough to permit carrying the filled can. The cap liner and the threads on both the cap and the can opening shall not be damaged in any way that will prevent a tight seal. Cans which are punctured or have been punctured and resealed by soldering will not be acceptable.

(2) Steel drums shall be new, or used drums which have been reconditioned inside and outside. They shall be clean, treated to prevent rusting, and fitted with gaskets which provide a tight seal.

(c) The beneficial interests in the honey shall be in the producer tendering it for a loan or for delivery under a purchase agreement and must always have been in him, or must have been in him and in a former producer whom he succeeded as owner of the bees before the honey was extracted. In the case of a cooperative marketing association these requirements as to beneficial interest shall apply to each producer-member whose honey is placed under loan or tendered for purchase under a purchase agreement by the association.

(d) The honey shall be equal to or better than Grade C of the United States Standards for Grades of Extracted Honey, effective April 16, 1951: *Provided, however,* That in areas in which the State committee determines that existing conditions make fermentation of high moisture honey probable during the period of storage, the maximum moisture content allowable may be reduced by such committee from 20 percent to 18.6 percent for any or all floral sources.

(e) The honey offered for a farm-storage loan shall have been stored in containers specified in paragraph (b) of

this section for at least 15 days prior to the drawing of samples by the loan inspector. The containers shall be stacked upright in a manner which will prevent damage to them and be so arranged and marked as to be readily accessible and identifiable for inspection and sampling purposes.

§ 434.1104 Ineligible honey.

Andromeda, Athel, Bitterweed, Broomweed, Cajeput, Carrot, Chinquapin, Dog Fennel, Desert Hollyhock, Gumweed, Mescal, Onion, Prickly Pear, Prune, Queen's Delight, Rabbit Brush, Snowbrush (Ceanothus), Snow-on the Mountain, Tarweed, and similar objectionably flavored honeys or blends of honey as determined by the Director, Sugar Division, CSS, shall not be eligible for price support, regardless of whether they meet other eligibility requirements.

§ 434.1105 Approved storage.

Loans shall be made only on honey in approved storage. Purchase agreements may be made without regard to whether the honey is in approved storage.

(a) *Farm - storage.* Farm - storage shall consist of storage structures located on or off the farm (excluding public warehouses) which are determined by the county office to be so located and so substantially and permanently constructed as to afford safe storage for honey. Structures shall be clean, dry, weather proof, and lockable. Structures used to house honey other than that covered by a single price support loan shall be partitioned to preserve the identity of the honey covered by each price support loan, and to segregate the collateral honey from any other honey in the storage structure. Collateral honey shall be so marked as to be readily identifiable as such.

(b) *Cooperative storage.* Approved storage for cooperative marketing associations shall meet the requirements stated in paragraph (a) of this section. If the storage structure is used to house honey other than that which secures a single price support loan, the structure shall be partitioned to preserve the identity of the honey covered by each price support loan, and to segregate the collateral honey from any other honey in the storage structure: *Provided*, That preservation of the identity of each individual producer's honey in the lot which secures the price support loan will not be required. However, collateral honey shall be so marked as to be readily identifiable as such.

§ 434.1106 Disbursement of loans.

Disbursement of loans will be made by financial institutions which are subject to separate regulations published in the FEDERAL REGISTER or by means of sight drafts drawn on CCC by county offices. No disbursement shall be made after January 15, 1961, unless recommended by the State committee and approved by the Executive Vice President, CCC. Payment in cash, credit to the producer's account, or the issuance of a check or draft, shall constitute disbursement. The producer shall not present the loan documents for disbursement of funds unless the honey is in existence, is in

good condition, and is in approved storage. The disbursement received by the producer shall be promptly refunded by him if the honey was not in existence in good condition and in approved storage at the time of disbursement.

§ 434.1107 Financial institutions.

As used in this subpart, a financial institution is a commercial bank which accepts demand deposits, or an association organized pursuant to State laws and supervised by State banking authorities, or a Production Credit Association.

§ 434.1108 Applicable forms and other requirements.

The approved forms consist of the loan and purchase agreement forms and such other forms and documents as are specified in this subpart and which, together with the provisions of this subpart, govern the rights and responsibilities of the producer. The note and supplemental loan agreements, chattel mortgages, and purchase agreements, must be dated, signed by the producer, and delivered to the county office on or before the final date of availability of loans or purchase agreements.

(a) *Loans.* Applicable forms shall consist of Producer's Note and Supplemental Loan Agreement, secured by Commodity Chattel Mortgage, Commodity Delivery Notice, Loan Settlement, and such other forms and documents as may be required by CCC.

(b) *Purchase agreements.* Applicable forms shall consist of the Purchase Agreement and Purchase Agreement Settlement signed by the producer and approved by the county office manager, the Commodity Delivery Notice issued by the county office, and such other forms and documents as may be required by CCC.

(c) *Other requirements.* The producer's Note and Supplemental Loan Agreements and Commodity Chattel Mortgages must have State and documentary revenue stamps affixed thereto when required by law. Loan and purchase agreement documents executed by an administrator, executor, or trustee, will be acceptable only where legally valid.

§ 434.1109 Liens.

If there are any liens or encumbrances on honey tendered for a loan or for delivery under purchase agreement, waivers that will fully protect the interests of CCC as determined by the county committee must be obtained.

§ 434.1110 Service charges.

Producers shall pay the following service charges on the quantity of honey placed under a loan or specified in a purchase agreement. Loan service charges shall be collected at the time of disbursement except for any prepayment made pursuant to paragraph (b) of this section. An additional service charge shall be paid on any additional quantity delivered to and accepted by CCC under a loan. Service charges on a purchase agreement shall be collected at the time the purchase agreement form is completed.

(a) Service charges shall be computed at the rates shown in the following table:

Method of price support	Rate (per 100 pounds net)	Minimum charge
Farm-storage loan.....	Cents 5	\$3.00
Purchase agreement.....	2½	1.50

(b) State committees are authorized to require prepayment of \$3.00 of the service charge on a loan at the time of application.

(c) No refund of authorized service charges will be made.

§ 434.1111 Set-offs.

(a) If any installment or installments on any loan made available by CCC on farm-storage facilities or mobile drying equipment are payable, under the provisions of the note evidencing such loan, out of any amount due the producer under the program provided for in this subpart, the producer must designate CCC or the lending agency holding such note as payee of such amount to the extent of such installments, but not to exceed that portion of the amount remaining after deduction of service charges and amounts due prior lienholders.

(b) If the producer is indebted to CCC, or if the producer is indebted to any other agency of the United States, and such indebtedness is listed on the county debt record, amounts due the producer under the program provided for in this subpart, after deduction of amounts payable on farm-storage facilities or mobile drying equipment and other amounts provided in paragraph (a) of this section, shall be applied, as provided in the Secretary's setoff regulations, 7 CFR Part 13 (23 F.R. 3757), to such indebtedness.

(c) Compliance with the provisions of this section shall not deprive the producer of any right he might otherwise have to contest the justness of the indebtedness involved in the setoff action either by administrative appeal or by legal action.

§ 434.1112 Determination of quantity.

(a) The quantity of honey for loan purposes shall be computed on the basis of 11 pounds for each gallon of rated capacity of the containers.

(b) At the time of acquisition by CCC of honey under loan or purchase agreement the quantity shall be determined by or under the direction of the State committee. The quantity determination of honey acquired in 5-gallon cans shall be the number of cans times the average net weight of honey per can rounded to the nearest whole pound or 60 pounds per can whichever is lower. The quantity determination of honey acquired in larger containers shall be the actual net weight of the honey.

§ 434.1113 Determination of grade and color.

(a) When application for a loan is made the county office shall draw samples of the honey and transmit them prepaid to the Processed Products Standardization and Inspection Branch, Fruit

and Vegetable Division, AMS, for grade and color determination. The quantity of honey drawn for samples shall be furnished by the producer at no cost to CCC. At the time the samples are drawn the county office shall collect the inspection fee for the account of the Processed Products Standardization and Inspection Branch.

(b) When honey is delivered to CCC the samples for grade and color determination shall be drawn by representatives of the Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, AMS, and CCC will pay the fees for sampling and inspection. The weight of the honey delivered to CCC, determined in accordance with § 434.1112 shall include the quantity of honey drawn for samples.

(c) Table honey shall, insofar as is practicable, be segregated into lots by color to conform with the color categories stated in § 434.1125. If a lot of honey is not segregated so that it can be certified as one color in accordance with the U.S. Standards for Grades of Extracted Honey, effective April 16, 1951, the loan, settlement for the loan, or purchase under purchase agreement, shall be made on the basis of the darkest color shown on the inspection certificate: *Provided*, That, if the inspection certificate at time of delivery to CCC shows that the lot of honey contains more than two colors and if the number of samples of the darkest color shown on such certificate is not more than $\frac{1}{6}$ of the total number of samples, the color for the purpose of settlement shall be the next lighter color shown in § 434.1125.

(d) Table honey shall, insofar as is practicable, be segregated from nontable honey. The loan, settlement for the loan, or purchase under purchase agreement, shall be made on the basis of nontable honey if the honey is not segregated so that it can be classified as table honey in accordance with § 434.1125.

(e) In the case of blends of table and nontable honeys, the loan, settlement for the loan, or purchase under purchase agreement, shall be made on the basis of nontable honey. If any blends of honey contain ineligible honey the lot as a whole shall be considered ineligible for a loan, or for delivery under a purchase agreement.

§ 434.1114 Maturity of loans.

Unless demand is made earlier, loans shall mature on April 30, 1961, in all States.

§ 434.1115 Interest rate.

Loans shall bear interest at the rate of $3\frac{1}{2}$ per centum per annum from the date of disbursement of the loan: *Provided*, That if there is a default in satisfaction of the loan the amount remaining due on the date of such default, accrued interest, and any costs incurred by CCC, shall bear interest thereafter at the rate of 6 per centum per annum: *Provided, further*, That if the producer has made a fraudulent representation in the loan documents or in obtaining the loan, the principal amount of the loan and any costs incurred by CCC shall bear

interest from the date of disbursement at the rate of 6 per centum per annum.

§ 434.1116 Transfer of producer's interest.

(a) *Loans.* The producer shall not transfer either his remaining interest in nor his right to redeem honey pledged as security for a loan, nor shall anyone acquire such interest or right. A producer who wishes to liquidate all or part of his loan by contracting for the sale of the honey, must obtain written prior approval of the county office on Commodity Loan Form 12 to remove the honey from storage when the proceeds of the sale are needed to repay all or any part of the loan. Any such approval shall be subject to the terms and conditions set out in Commodity Loan Form 12, copies of which may be obtained by producers or prospective purchasers at the county office.

(b) *Purchase agreements.* The producer may not assign his interest in a purchase agreement.

§ 434.1117 Safeguarding the honey.

The producer obtaining a loan is obligated to maintain the storage structure in good repair and to keep the mortgaged honey in storage and in good condition until the loan is liquidated.

§ 434.1118 Insurance.

CCC will not require the producer to insure the honey placed under loan; however, if the producer insures such honey and indemnity is paid thereon, such indemnity shall inure to the benefit of CCC to the extent of its interest, after first satisfying the producer's equity in the honey involved in the loss.

§ 434.1119 Loss or damage to honey.

If the honey is going out of condition or is in danger of going out of condition the producer shall notify the county office. The producer is responsible for any loss in quantity, quality, or change in color of the honey placed under loan. Notwithstanding the foregoing, physical loss or damage to honey occurring after disbursement of the loan will be assumed by CCC to the extent of the settlement value at the time of destruction of the quantity destroyed, or in an amount equivalent to the extent of the damage, as determined by CCC, less any insurance proceeds to which CCC may be entitled and the salvage value: *Provided*, The producer establishes to the satisfaction of CCC each of the following conditions: (a) The physical loss or damage occurred without fault, negligence, or conversion on the part of the producer; (b) the physical loss or damage resulted solely from an external cause other than insect infestation, vermin, or animals; (c) the producer gave the county office immediate notice confirmed in writing of such loss or damage; and (d) the producer made no fraudulent representation in the loan documents or in obtaining the loan. No physical loss or damage which occurred prior to disbursement to the producer will be assumed by CCC. Where disbursement was by sight draft or check, the date of the draft or check shall constitute the date of disbursement.

§ 434.1120 Personal liability of the producer for the honey.

The making of any fraudulent representation by the producer in the loan documents or in obtaining the loan, or the conversion or unlawful disposition of any portion of the honey by him, may render him subject to criminal prosecution under Federal law and shall render him personally liable for the amount due on the loan and for any resulting expense incurred by CCC.

§ 434.1121 Release of the honey under loan.

The producer may at any time obtain release of the honey under loan by paying to CCC the principal amount of the note, plus applicable charges and accrued interest. The county office shall arrange for the release of the chattel mortgage upon payment of the note. Partial release of the honey prior to the loan maturity date may be arranged with the county office after making payment for the quantity of the honey to be released, plus applicable charges and accrued interest. If the structure is used to house honey other than that which is collateral for a loan, all or part of such noncollateral honey may be removed without payment on the loan upon application to the county office.

§ 434.1122 Liquidation of loans and delivery under purchase agreements.

(a) *Loans.* The producer is obligated to pay off his loan on or before maturity, or to deliver the honey in accordance with the instructions of the county office. The producer shall, prior to loan maturity date, give the county office written notice of his intention to deliver the honey. However, the county committee may permit the producer to pay off all or part of his loan and redeem the proportionate quantity of his honey at any time prior to delivery to CCC or removal by CCC. Only the quantity in the containers included in the lot placed under loan may be delivered. Delivery points for honey under loan shall be limited to those recommended by the State Committee and approved by the Director, Sugar Division, CSS. If the farm is sold or there is a change of tenancy before the loan maturity date the honey under loan may be delivered upon approval by the county office, or it may be delivered before the loan maturity date for other reasons if approved by the Executive Vice President, CCC. Settlement will be made at the applicable support rate in effect at the approved point of delivery, subject to the provisions of the Producer's Note and Supplemental Loan Agreement and this subpart, based upon the quantity, floral source, color, and grade at the time of delivery as determined in accordance with §§ 434.1112(b) and 434.1113 (b), (c), (d), and (e). If honey is delivered to CCC prior to the loan maturity date upon request of the producer and with the approval of CCC, the loan settlement shall be reduced at the rate of one-twentieth of a cent per pound per month or fraction thereof, from the date delivery is accomplished, or from the final date for delivery shown in the delivery instructions issued by the county office, whichever is earlier, to and including

the loan maturity date. The settlement value for honey acquired by CCC which does not meet requirements with respect to grade, shall be determined at the support rate for the honey placed under loan less the estimated cost, as determined by CCC, for conditioning such honey to conform to the grade of honey described in the loan documents. The settlement value for honey acquired by CCC which does not meet requirements because of floral source, or which cannot be conditioned to meet grade requirements, shall be the actual market value, if any, of such honey as determined by CCC. The producer shall pay CCC for any deficiency in quantity, floral source, grade or color. Any payment due the producer may be made by sight draft drawn on CCC by the county office.

(b) *Handling small amounts on settlement.* To avoid administrative costs of making small payments and handling small accounts, amounts due the producer of \$3.00 or less will be paid only upon his request. Deficiencies of \$3.00 or less, including interest, may be disregarded unless demand for payment is made by CCC.

(c) *Purchase agreements.* The producer, who signs a purchase agreement shall not be obligated to sell any quantity of the honey to CCC. However, the quantity stated in the purchase agreement shall be the maximum quantity he may sell to CCC. If the producer who signs a purchase agreement wishes to sell the honey to CCC, he shall have a 30-day period prior to the loan maturity date during which he must notify the county office of his intention to sell. Deliveries shall not be accepted before the loan maturity date, or such earlier date as may be prescribed by the Executive Vice President, CCC. The producer may be required to retain the honey for a period of 60 days after the loan maturity date without any cost to CCC. Delivery under purchase agreements shall be made in accordance with instructions issued by the county office. Delivery points for purchase agreements shall be limited to those recommended by the State committee and approved by the Director, Sugar Division, CSS. Honey delivered under a purchase agreement must meet the requirements for eligible honey as set forth in §§ 434.1103 and 434.1113(e). Payment for eligible honey delivered to CCC under purchase agreements shall be at the applicable support rate in effect at the approved delivery point, on the basis of the quantity, floral source, color, and grade at the time of delivery as determined in accordance with §§ 434.1112(b), and 434.1113 (b), (c) (d), and (e). Such payment will be made to the producer by sight draft drawn on CCC by the county office.

§ 434.1123 Foreclosure.

If the loan (i.e., the amount of the note, interest, and charges) is not satisfied upon maturity by payment or by delivery of the honey, the holder of the note is authorized to remove the honey from storage; and also to sell, assign, transfer, and deliver the honey or documents evidencing title thereto at such time, in such manner, and upon such

terms as the holder of the note may determine, at public or private sale, and the holder of the note may become the purchaser of the whole or any part of the honey. Any such disposition may similarly be effected without removing the honey from storage. If, upon maturity and nonpayment of the producer's note, CCC is the holder of the note, then at CCC's election title to the unredeemed honey securing the note shall, without a sale thereof, immediately vest in CCC. Whenever CCC acquires title to the unredeemed, honey, CCC shall have no obligation to pay for any market value which such honey may have in excess of the loan indebtedness, i.e., the unpaid amount of the note plus interest and charges. Nothing herein shall preclude the making of the following payments to the producer or his personal representative only, without right of assignment to or substitution of any other party: (a) Any amount by which the settlement value of the collateral honey may exceed the principal amount of the loan, or (b) the amount by which the proceeds of the sale may exceed the loan indebtedness if the collateral honey is sold to third parties rather than CCC acquiring full title to such collateral honey. If honey removed by CCC from storage is sold at less than the amount due on the loan (excluding interest), and if the quantity, floral source, grade, or color of the honey as removed is lower than that on which the loan was computed, the producer shall pay to CCC the difference between the amount due on the loan and the higher of the sales proceeds or the settlement value of the honey removed by CCC, plus interest.

§ 434.1124 Charges not to be assumed by CCC.

CCC will not pay or assume any insurance charges, storage charges, inspection charges to determine eligibility for a loan, or any handling or processing charges necessary to make the honey meet the grade requirements.

§ 434.1125 Support rates.

Loans will be made, and honey delivered under purchase agreements shall be purchased, at the support rates set forth below:

For States of Montana, Wyoming, Colorado, New Mexico and States west thereof:

	Rate (cents per pound)
1. White and lighter table honey.....	9.0
2. Extra Light Amber table honey.....	8.0
3. Light Amber table honey.....	7.1
4. Other table honey and nontable honey	6.4

For all States east of Montana, Wyoming, Colorado, and New Mexico:

	Rate (cents per pound)
1. White and lighter table honey.....	9.9
2. Extra Light Amber table honey.....	8.9
3. Light Amber table honey.....	8.0
4. Other table honey and nontable honey	7.3

(a) "Table honey" means honey having the predominant flavor of a floral source which can be readily marketed for table use in all parts of the country.

Such sources include Alfalfa, Bird's-foot trefoil, Blackberry, Brazil Brush, Cats-claw, Clover, Cotton, Fireweed, Gallberry, Huajillo, Lima Bean, Mesquite, Orange, Raspberry, Sage, Saw Palmetto, Sourwood, Star Thistle, Sweetclover, Tupelo, Vetch, Western Wild Buckwheat, Wild Alfalfa, and similar mild-flavored honeys, or blends of mild-flavored honeys, as determined by the Director, Sugar Division, CSS.

(b) "Nontable honey" means honey having a predominant flavor of limited national acceptability for table use but considered to be suitable for table use in areas in which it is produced. Such honeys include those with a predominant flavor of Aster, Avocado, Buckwheat (except Western Wild Buckwheat), Cabbage Palmetto, Dandelion, Eucalyptus, Goldenrod, Heartsease, (Smartweed), Horsemint, Mangrove, Manzanita, Mint, Part-ridge Pea, Rattan Vine, Safflower, Salt Cedar (Tamarix Gallica), Spanish Needle, Spikeweed, Ti-ti, Toyon (Christmas Berry), Tulip-Poplar, Wild Cherry, and similarly-flavored honeys, or blends of such honeys, as determined by the Director, Sugar Division, CSS.

§ 434.1126 CSS commodity offices.

The CSS commodity offices and the areas served by them are:

Evanston, Illinois, 2201 Howard Street: Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia.

Dallas 1, Texas, 500 South Ervay Street: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, Texas.

Kansas City 41, Missouri, 560 Westport Road: Colorado, Kansas, Missouri, Nebraska, Wyoming.

Minneapolis 10, Minnesota, 6400 France Avenue, South: Minnesota, Montana, North Dakota, South Dakota, Wisconsin.

Portland 5, Oregon, 1218 Southwest Washington Street: Arizona, California, Idaho, Nevada, Oregon, Utah, Washington, Alaska.

Issued this 30th day of March 1960.

WALTER C. BERGER,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 60-3037; Filed, Apr. 1, 1960;
8:52 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Orange Reg. 371]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.1009 Orange Regulation 371.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida effective under the ap-

plicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the bases of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, except Temple oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the *FEDERAL REGISTER* (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of oranges, including Temple oranges, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on March 29, 1960, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of oranges, except Temple oranges, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order*. (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the amended United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title; 22 F.R. 6676).

(2) During the period beginning at 12:01 a.m., e.s.t., April 4, 1960, and ending at 12:01 a.m., e.s.t., May 2, 1960, no handler shall ship between the produc-

tion area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any oranges, except Temple oranges, grown in the production area, which do not grade at least U.S. No. 1 Bronze; or

(ii) Any oranges, except Temple oranges, grown in the production area, which are of a size smaller than $2\frac{3}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title): *Provided*, That in determining the percentage of oranges in any lot which are smaller than $2\frac{3}{16}$ inches in diameter, such percentage shall be based only on those oranges in such lot which are of a size $2\frac{1}{16}$ inches in diameter or smaller.

Shipments of Temple oranges, grown in the production area, are, until 12:01 a.m., e.s.t., July 31, 1960, subject to the provisions of Orange Regulation 370 (§ 933.1007; 25 F.R. 1936).

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: March 30, 1960.

FLOYD F. HEDLUND,
*Deputy Director, Fruit and
Vegetable Division, Agricultural
Marketing Service.*

[F.R. Doc. 60-3036; Filed, Apr. 1, 1960;
8:52 a.m.]

[Lemon Reg. 840]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.947 Lemon Regulation 840.

(a) *Findings*. (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 23 F.R. 9053), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the *FEDERAL REGISTER* (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective

in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on March 29, 1960.

(b) *Order*. (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., April 3, 1960, and ending at 12:01 a.m., P.s.t., April 10, 1960, are hereby fixed as follows:

- (i) District 1: 7,440 cartons;
- (ii) District 2: 234,360 cartons;
- (iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: March 31, 1960.

FLOYD F. HEDLUND,
*Deputy Director, Fruit and Vegetable
Division, Agricultural
Marketing Service.*

[F.R. Doc. 60-3081; Filed, Apr. 1, 1960;
8:56 a.m.]

[Milk Order 1024]

PART 1024—MILK IN THE OHIO VALLEY MARKETING AREA

Order Amending Order

§ 1024.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and all of the said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Ohio Valley marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* (1) It is necessary in the public interest to make this order amending the order effective not later than April 1, 1960.

(2) The provisions of the said order are known to handlers. The recommended decision of the Deputy Administrator of the Agricultural Marketing Service was issued March 14, 1960 and the decision of the Assistant Secretary containing all amendment provisions of this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective April 1, 1960, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See sec. 4(c), Administrative Procedure Act, 5 U.S.C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in sec. 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. The order is hereby amended as follows:

At the end of § 1024.51(a) (2) add the following proviso: "Provided, That for the months of April through July 1960 the amount added to the basic formula price for the preceding month shall be \$1.30."

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Issued at Washington, D.C., this 31st day of March 1960, to be effective on and after the 1st day of April 1960.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 60-3064; Filed, Mar. 31, 1960; 1:32 p.m.]

Title 14—AERONAUTICS AND SPACE

Chapter II—Civil Aeronautics Board

SUBCHAPTER D—SPECIAL REGULATIONS

[Reg. No. SPR-4]

PART 375—NAVIGATION OF FOREIGN CIVIL AIRCRAFT WITHIN THE UNITED STATES

Revision of Part

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 30th day of March 1960.

Because Part 375 of the Special Regulations is principally addressed to non-residents of the United States, it is deemed advisable that editions of Part 375 should be available which incorporate all outstanding amendments and thus facilitate the use and understanding of this regulation. The instant revision accomplishes this result. The only change made in the following consolidated reprint of the regulation as amended is that in § 375.1, which contains the alphabetical list of defined terms, the paragraph designations "(a)", "(b)", etc., are omitted as unnecessary.

Since this revision effects no substantive change in Part 375, notice and public procedure hereon are unnecessary and the revision may be made effective on less than 30 days' notice.

Accordingly, the Civil Aeronautics Board hereby revises Part 375 of the Special Regulations (14 CFR Part 375, as amended) as set forth below, effective March 30, 1960.

By the Civil Aeronautics Board.

[SEAL]

MABEL MCCART,
Acting Secretary.

Subpart A—General

- Sec.
375.1 Definitions.
375.2 Applicability.
375.3 Existing permits.

Subpart B—Authorization

- Sec.
375.10 Civil aircraft registered in ICAO member states.
375.11 Civil aircraft registered in non-ICAO member states.

Subpart C—Rules Generally Applicable

- 375.20 Airworthiness and registration certificates.
375.21 Airmen.
375.22 Flight operations.
375.23 Maximum allowable weights.
375.24 Entry and clearance regulations.
375.25 Unauthorized operations.

Subpart D—Operations Authorized by Regulation

- 375.30 Operations other than commercial air operations.
375.31 Demonstration flights of foreign aircraft.
375.32 Flights incidental to agricultural and industrial operations outside the United States.
375.33 Transit flights, irregular operations.
375.34 Indoctrination training.

Subpart E—Operations Requiring Specific Pre-flight Authorization by the Board or the Administrator

- 375.40 Permits for commercial air operations.
375.41 Agricultural and industrial operations within the United States.
375.42 Commercial transport operations.
375.43 Keeping of records on commercial transport operations.
375.44 Reports on commercial transport operations.
375.45 Transit flights; scheduled international air service operations.

Subpart F—Penalties

- 375.60 Penalties.

Subpart G—Special Authorization

- 375.70 Special authorization.

AUTHORITY: §§ 375.1 to 375.70 issued under sec. 204(a), 72 Stat. 743; 49 U.S.C. 1324. Interpret or apply secs. 402, 1108(b), 72 Stat. 757, 798; 49 U.S.C. 1372, 1508.

Subpart A—General

§ 375.1 Definitions.

As used in this part:

"Act" means the Federal Aviation Act of 1958;

"Administrator" shall mean the Administrator of the Federal Aviation Agency;

"Air transportation" means the carriage by aircraft of persons or property as a common carrier for compensation or hire or the carriage of mail by aircraft in interstate, overseas, or foreign commerce (see section 101(10) and (21) of the Federal Aviation Act, 49 U.S.C. 1301);

"Category" shall indicate a classification of aircraft such as airplane, helicopter, glider, etc.;

"Commercial air operations" shall mean operations by foreign civil aircraft engaged in flights for the purpose of crop dusting, pest control, pipeline patrol, mapping, surveying, banner towing, skywriting, or similar agricultural and industrial operations performed in the United States, and any operations for remuneration or hire to, from or within the United States including air carriage involving the discharging or taking on of passengers or cargo at one or more points in the United States, in-

cluding carriage of cargo for the operator's own account if the cargo is to be resold or otherwise used in the furtherance of a business other than the business of providing carriage by aircraft, but excluding operations pursuant to foreign air carrier permits issued under section 402 of the Act and all other operations in air transportation.

"Foreign air carrier permit" means a permit authorizing foreign air transportation by a foreign air carrier pursuant to section 402 of the Act;

"Foreign aircraft permit" means a permit authorizing navigation of an aircraft of foreign registry, not a part of the armed forces of a foreign nation, in the United States pursuant to section 1108(b) of the Act;

"Foreign civil aircraft" means an aircraft of foreign registry which is not part of the armed forces of a foreign nation;

"Type" means all aircraft of the same basic design including all modifications thereto except those modifications which result in a change in handling or flight characteristics; and

"Terms defined in section 101 of the Act" have the meaning expressed in such definitions.

§ 375.2 Applicability.

The provisions of this part regulate the admission to, and navigation in, the United States of foreign civil aircraft other than aircraft operated by holders of foreign air carrier permits issued by the Board pursuant to section 402 of the Act under the authority of such permits. This part also contains provisions which specify the extent to which certain classes of flight operations by foreign civil aircraft may be conducted, and the terms and conditions applicable to such operations. Nothing in this part shall authorize any foreign aircraft to engage in air transportation nor be deemed to provide for such authorization to be issued by the Board.

§ 375.3 Existing permits.

Permits issued by the Board under the provisions of former Part 190 of the Civil Air Regulations shall continue in effect in accordance with their terms until their expiration date unless sooner terminated or revoked by the Board.

Subpart B—Authorization

§ 375.10 Civil aircraft registered in ICAO member states.

Subject to the observance of the applicable rules, conditions, and limitations set forth in this part, foreign civil aircraft registered in any foreign country which at the time is a member of the International Civil Aviation Organization created by the Chicago Convention may be navigated in the United States.

§ 375.11 Civil aircraft registered in non-ICAO member states.

Aircraft registered under the laws of foreign countries, not members of the International Civil Aviation Organization created by the Chicago Convention, which the Board has found grant reciprocal treatment to U.S. aircraft and air-

men, may be navigated in the U.S. subject to the observance of the same rules, conditions, and limitations applicable in the case of aircraft of ICAO member states.

Subpart C—Rules Generally Applicable

§ 375.20 Airworthiness and registration certificates.

Foreign civil aircraft shall carry aboard currently effective certificates of registration and airworthiness issued or rendered valid by the country of registry and shall display the nationality and registration markings of that country: *Provided*, That in the cases of operations specified in paragraphs (a) through (c) of this section an unexpired air safety flight authorization issued by the Administrator of the Federal Aviation Agency, his designee or duly authorized representative, under Title VI of the Act, authorizing and circumscribing such operations, may be carried on board the aircraft in lieu of such certificate of airworthiness:

(a) It has been determined by the country of registry that the aircraft has been damaged to the extent that the airworthiness certificate is invalidated and the aircraft is to be flown to a place where repairs or alterations are to be made;

(b) The certificate of airworthiness issued for the aircraft has been invalidated by the country of registry due to a change in nationality and such aircraft is intended to be navigated in the United States in transit to the new country of registry; or

(c) Title to an aircraft of United States manufacture for which no certificate of airworthiness has theretofore been issued has passed to a foreign buyer or buyers and the aircraft is to be navigated in the United States either for the purpose of giving indoctrination training in the operation of the aircraft to the buyer or his employees or designees, or on a ferry flight for the purpose of making an export delivery out of the United States. Aircraft of United States manufacture may be operated for the purposes stated in this paragraph even though no registration certificate has been issued by the country of the foreign buyer or buyers: *Provided*, That the markings displayed by such aircraft are identified in the flight authorization issued for operation thereof by the Administrator.

§ 375.21 Airmen.

Each member of the flight crew of a foreign civil aircraft shall have in his personal possession a valid airman certificate or license authorizing him to perform his assigned functions in the aircraft and for the operation involved issued or rendered valid by the country of registry of the aircraft or by the United States. No such flight crew member shall perform any flight duty within the United States which he is not currently authorized to perform in the country issuing or validating the certificate.

§ 375.22 Flight operations.

Flight of foreign civil aircraft in the United States shall be conducted in accordance with the currently applicable regulations of the Administrator of the Federal Aviation Agency.

§ 375.23 Maximum allowable weights.

Foreign civil aircraft which are permitted to navigate in the United States on the basis of foreign airworthiness certificates shall not be operated in the United States except in accordance with the limitations on maximum certificated weights prescribed or authorized for the particular variation of the type and for the particular category of use, by the country of manufacture of the aircraft type involved.

§ 375.24 Entry and clearance regulations.

All applicable entry and clearance requirements for aircraft, passengers, crews, baggage and cargo shall be followed.

§ 375.25 Unauthorized operations.

Foreign civil aircraft which are not authorized to be navigated pursuant to Subpart B in combination with Subparts D or E of this part shall not be navigated in the United States. Commercial air operations shall not be undertaken without a permit issued therefor by the Board.

Subpart D—Operations Authorized by Regulation

§ 375.30 Operations other than commercial air operations.

Foreign civil aircraft which are not engaged in commercial air operations into, out of, or within the United States may be operated in the United States and may discharge, take on, or carry between points in the United States any non-revenue traffic.

§ 375.31 Demonstration flights of foreign aircraft.

Flights of foreign civil aircraft within the United States may be made for the purpose of demonstration of the aircraft or any component thereof, provided no persons, cargo or mail are carried for remuneration or hire.

§ 375.32 Flights incidental to agricultural and industrial operations outside the United States.

Foreign civil aircraft which are engaged in agricultural or industrial operations to be performed wholly without the United States may be navigated into, out of, and within the United States in connection therewith provided they are not at the time engaged in the carriage of passengers, cargo or mail for remuneration or hire.

§ 375.33 Transit flights, irregular operations.

Foreign civil aircraft carrying persons, property, or mail for remuneration or hire but not engaged in scheduled international air services are authorized to navigate non-stop across the territory of the United States and to make stops for non-traffic purposes. Such

aircraft shall not make stops for the purpose of taking on or discharging passengers, cargo or mail, or for other than strictly operational purposes.

§ 375.34 Indoctrination training.

Foreign civil aircraft may be operated in the United States for the purpose of giving indoctrination training in the operation of the aircraft concerned to a buyer or his employees or designees; *Provided*, That foreign civil aircraft shall not be used within the United States for the purpose of flight instruction for remuneration or hire.

Subpart E—Operations Requiring Specific Pre-Flight Authorization by the Board or the Administrator

§ 375.40 Permits for commercial air operations.

(a) *Applications.* Commercial air operations in the United States may not be undertaken by foreign civil aircraft unless the Board has issued a permit therefor upon application pursuant to this subpart and such permit is carried on board the aircraft. Permits are not transferable. Applications for permits may be filed directly with the Board and need not be filed through diplomatic channels. They shall be made on CAB Form 272,¹ addressed to the attention of the Director, Bureau of Air Operations, and shall contain a proper identification of the applicant, the operator of the aircraft concerned and of the owner thereof, a description of the aircraft by make, model, and registration marks; and a full description of the operations for which authority is desired, indicating type and dates of operations and number of flights, and routing. In case of cargo flights, the names of all contractors and the beneficial owner of the cargo, a description of the cargo and of the proposed operations, including services to be performed by any exporter, importer or transportation agent, shall be provided. In case of passenger flights, a full identification and description of the group chartering the aircraft, and identification of the travel agent, if any, shall be provided. A copy of any newspaper or other advertising of the flights shall be enclosed. The application shall also be accompanied by such documents as may be necessary to establish that reciprocity for similar operations by United States registered aircraft exists in the country of registration of the aircraft. Applications shall be submitted at least 15 days in advance of the date of the commencement of the proposed operation. Such additional information as may be specifically requested by the Board shall also be furnished.

(b) *Withholding from publication.* Except to the extent that the Board directs that such information be withheld from public disclosure for reasons of national defense or as hereinafter specified in this paragraph, every application, and any objection thereto filed pursuant to this section shall be open to public inspection, and notice thereof shall be

published in the Board's Weekly List of Applications Filed. Any person may make written objection to the Board to the public disclosure of such information or any part thereof, stating the grounds for such objection. If the Board finds that a disclosure of such information or part thereof would adversely affect the interests of such person and is not required in the interest of the public, it will order that such information or part be so withheld.

(c) *Failure to comply.* Failure to comply with the requirements of this Part shall be cause for the suspension, revocation or refusal to renew a permit or the denial of the issuance of a new permit issuable under this part.

§ 375.41 Agricultural and industrial operations within the United States.

Foreign civil aircraft shall not be used for crop dusting, pest control, pipeline patrol, mapping, surveying, banner towing, skywriting or similar agricultural or industrial operations within the United States unless a permit therefor has been issued by the Board and the operation is conducted in accordance with all applicable State and local laws and regulations as well as the applicable provisions of this part.

§ 375.42 Commercial transport operations.

(a) *Permit required.* Except for aircraft being operated under a permit issued by the Board pursuant to section 402 of the Act, foreign civil aircraft engaged in flights for remuneration or hire for the purpose of discharging or taking on passengers or cargo at one or more points in the United States may be navigated in the United States only if there is carried on board the aircraft a permit issued by the Board in accordance with this section authorizing the operation involved. Carriage of cargo for the operator's own account is governed by the provisions of this section if the cargo is to be resold or otherwise used in the furtherance of a business other than the business of providing carriage by aircraft.

(b) *Nature of privilege conferred by permit.* (1) The provisions of this section and of any permit issued hereunder, together with section 1108(b) of the Act, are designed, among other purposes, to carry out the international undertakings of the United States in the Chicago Convention, in particular Article 5 thereof. That article accords to foreign aircraft the privilege of "taking on or discharging passengers, cargo or mail" subject to the right of the state where such embarkation or discharge takes place to impose such regulations, conditions or limitations as it may consider desirable. The Congress by the 1953 amendment to section 6 of the Air Commerce Act of 1926, now designated as section 1108(b) of the Act, has authorized the Board to permit such operations only where conditions of reciprocity and the interest of the public in the United States are met. It is incompatible with the intent of this legislation and the nature of the function involved to regard the operator of any foreign registered aircraft as entitled as a matter of right to the issuance,

renewal or freedom from modification or change in a permit issuable pursuant to this authority. Accordingly, any permit issued under this Part may be withheld, revoked, amended, modified, restricted, suspended, withdrawn, or canceled by the Board in the interest of the public of the United States, without notice or hearing and without the right in the holder to challenge the Board's discretion.

(2) Aircraft cannot be authorized to engage in air transportation under this section. The question of whether particular flights for which a permit is sought will be in common carriage, and therefore in air transportation, is one of fact to be determined in the light of all the facts and circumstances surrounding the applicant's entire operations. The burden rests upon the applicant in each instance to demonstrate by an appropriate factual showing that the contemplated operation will not constitute common carriage from, to or within the United States. In general, a carrier who holds himself out to the public, or to particular classes or segments thereof, as willing to furnish transportation for hire is a common carrier. Ordinarily, therefore, the type of application which may be approved hereunder is not one which may be advertised to the public.

(3) In general, there are two types of services most likely to qualify for authorization hereunder:

(i) *Occasional plane-load charters.* Occasional plane-load charters may be authorized where, because of their limited nature and extent, special equipment or facilities utilized, or other circumstances pertaining to them, it appears that they are not within the scope of the applicant's normal holding out of transportation services to the general public. Such charters are normally limited to those in which the entire capacity of the aircraft is engaged by a single charterer, and since they are occasional in nature, should not exceed for any one applicant more than a few flights during a year's period. Applicants are required to make full disclosure concerning the identity and business of the charterer. Generally speaking, the kinds of so-called charters that will not be authorized under this regulation are those that involve solicitation of the general public such as is usually involved in the transportation of individually ticketed passengers or individually waybilled cargo, or in which the charterer is a travel agent, a broker, an air freight forwarder or any other organization that holds itself out to the general public to provide transportation services.

(ii) *Continuing cargo operations for one or more contractors.* (a) Continuing cargo operations for one or more contractors may be permitted where it has been established by the applicant that the proposed operation is not within the scope of the applicant's normal holding out of transportation services to the general public. By way of illustration it may be stated that under this test authorizations of this type to serve up to 10 different contractors during any 12-month period may be granted unless

¹ Available upon request from the Publications Section of the Civil Aeronautics Board, Washington 25, D.C.

other facts and circumstances impose a more stringent limitation.

(b) The provisions of the contract between the applicant and the contractor are important. The type of contract most likely to qualify for authorization hereunder is one which (1) places an obligation on the shipper to utilize the carrier's services, as well as upon the carrier to perform the contemplated services, and (2) provides that the contractor itself will pay for the transportation performed, or at least guarantee its payment to the carrier.

(c) Also, the nature of the business activities of the particular contractor will be carefully considered by the Board. As in the case of plane-load charters, the proposed operations will not be authorized if the contractors are air freight forwarders, cargo agents, brokers or others who hold themselves out to the general public to provide transportation services. Contracts involving industrial organizations which consume the shipments in the course of their industrial operations will normally be an acceptable form of contracting organization. On the other hand, a contracting organization which does not so consume the shipped cargo, but delivers it to the ultimate consumer, directly or indirectly, may well be unacceptable as a contracting organization unless it can be shown that the ultimate consumers do not constitute the general public. In the latter type of case, the information furnished concerning the nature of the business activities of the contractor and the manner in which the ultimate consumers are solicited, served, and billed will be of particular significance.

(d) In the case of transportation of goods for the carrier's own account for subsequent sale, such operations will not be permitted where the carrier solicits orders and delivers goods, maintaining title to the goods principally for the purpose of engaging in the transportation business or where the arrangement otherwise is in the nature of a subterfuge.

(c) *Application for permit.* Applications for permits under this section shall comply with the requirements of § 375.40. There shall be enclosed with the application a copy of each contract between the operator and each person for whose account the flight or flights is or are to be performed. If any flight is to be performed in whole or in part for the operator's own account under the circumstances governed by this section, there shall also be enclosed copies of all contracts relating to the acquisition and disposition of the cargo. Copies of contracts covering proposed operations which have previously been filed with the Board in connection with a prior application need not be filed again.

(d) *Issuance of permit.* If upon examination of the application, all supporting documents and other information available to it, the Board is of the opinion that the application is in order and that the proposed operation either by itself or in conjunction with other operations of the operator to or from the United States is in the interest of the public and does not disclose any ap-

parent violation of section 402 of the Act, or any other applicable provision of law, it will issue a permit for a period not in excess of 90 days to the applicant authorizing the conduct of the flights set forth in the application.

§ 375.43 Keeping of records on commercial transport operations.

(a) The holder of a permit issued under § 375.42 shall issue a manifest or shipping document with respect to each shipment which should contain, but need not be limited to, the following information:

(1) Name of the contractor for whom the shipment is transported.

(2) Name and address of payer of transportation charges.

(3) Name and address of vendor of goods.

(4) Name and address of consignor of goods.

(5) Name and address of consignor's agent, if any.

(6) Names and addresses of intermediate and ultimate consignees.

(7) Number of packages in shipment and total weight of same.

(8) Description of commodities.

(9) Point of air origin and air destination of shipment on line of carrier.

(10) Date of airwaybill preparation.

(11) Name of employee or agent preparing airwaybill.

(12) Date shipment is transported by carrier.

(13) Breakdown of charges including weight-rate charges, pick-up and delivery, excess valuation, advance charges and any accessorial charges.

(b) Each holder of a permit issued under § 375.42 shall keep, for a period of two years, true copies of all manifests, airwaybills, invoices and other traffic documents covering flights originating or terminating in the United States, and the holder of a permit authorizing 10 or more flights originating in the United States in a 90-day period shall maintain a place in the United States where such documents may be inspected at any proper time by authorized representatives of the Board or the Federal Aviation Agency. Records of flights terminating in the United States and flights conducted pursuant to a permit authorizing less than 10 flights in any 90-day period need not be maintained in the United States but shall be made available to the Board upon demand.

(c) Records documenting each particular flight, demonstrating compliance with the requirements imposed by this part, shall be preserved for a period of two years and shall be made available to the Board or the Federal Aviation Agency upon demand.

§ 375.44 Reports on commercial transport operations.

(a) *Reports on cargo flights.* (1) Holders of permits issued under § 375.42 shall submit to the Board reports of cargo flights actually conducted pursuant thereto on CAB Form 321² or, if no

² Available upon request from the Publications Section of the Civil Aeronautics Board, Washington 25, D.C.

flights were conducted under the permit, a letter so stating. The initial report shall be submitted not later than the 30th day following commencement of operations and shall report on all flights conducted during such period. Like reports shall be filed for each succeeding 30-day period. Failure to submit a report on time shall constitute grounds for revocation, refusal to renew the permit, or denial of the issuance of a new permit.

(2) Separate reports shall be submitted for flights inbound to and outbound from the United States. The report shall state the dates of flights; origination, destination and intermediate points; number and weight of total shipments transported for each contractor, of shipments for contractor's own use or consumption, of shipments for contractor's inventory for later resale, and of shipments for ultimate consignees; the number of such consignees; and any deviation from the statements made in the application: *Provided*, That such deviations shall not be deemed authorized merely because they are so reported. Copies of any newspaper or other advertising of the flights since the filing of the application shall be attached.

(b) *Reports on passenger flights.* Holders of permits issued under § 375.42 shall submit to the Board letter reports of passenger flights conducted pursuant thereto or a letter stating that no operations were conducted. The letter shall identify the flights and note any deviations from the statements made in the application: *Provided*, That such deviations shall not be deemed authorized merely because they are so reported. Copies of any newspaper or other advertising of the flights since the filing of the application shall be attached.

§ 375.45 Transit flights; scheduled international air service operations.

An operator of foreign civil aircraft desiring to conduct a scheduled international air service in transit across the United States pursuant to the International Air Services Transit Agreement shall, before commencing operations, obtain the approval of the Administrator for the route or routes proposed to be followed and thereafter shall conduct such operations in accordance with the provisions of that approval. Stopovers for the convenience or pleasure of the passengers are not authorized under this section, and stops other than for strictly operational reasons shall not be made. Operators of aircraft registered in countries not parties to the International Air Services Transit Agreement shall make special application to the Board under § 375.70. The consolidation on the same aircraft of an operation under this section with a service authorized under section 402 of the Act is not authorized by this section.

§ 375.60 Penalties.

The operation of a foreign aircraft within the United States in violation of the provisions of this part constitutes a violation of section 501 of the Act, and may, in addition, constitute a violation of the Civil Air Regulations. Such operation makes the person or persons re-

sponsible for the violation or violations subject to a civil penalty as provided in section 901 of the Act, and to the alteration, amendment, modification, suspension or revocation of any permit issued under this part and of any United States certificate involved as provided in section 609 of the Act. Engaging in air transportation as defined in the aforesaid Act by a foreign aircraft without a foreign air carrier permit issued pursuant to section 402 of the Act or in violation of the terms of such a permit constitutes not only a violation of this regulation but of Title IV of the Act as well, which entails a criminal penalty as set forth in section 902 of the Act.

Subpart G—Special Authorization

§ 375.70 Special authorization.

Any person desiring to navigate a foreign civil aircraft within the United States otherwise than as specifically provided in this part may petition the Board for an order authorizing the particular flight or series of flights. Such an order may be issued only if the Board finds that the proposed operation is fully consistent with the applicable law and is in the interest of the public of the United States.

NOTE: The reporting and record-keeping requirements of this part have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

[F.R. Doc. 60-3024; Filed, Apr. 1, 1960; 8:50 a.m.]

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 59-FW-80]

[Amdt. 275]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

[Amdt. 326]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Extension of Federal Airway and Associated Control Areas

On January 12, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 221) stating that the Federal Aviation Agency proposed to extend VOR Federal airway No. 131 and its associated control areas south from Tulsa, Okla., via Okmulgee, Okla., to McAlester, Okla.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530).

and for the reasons stated in the notice, §§ 600.6131 (24 F.R. 10517) and 601.6131 (24 F.R. 10601) are amended to read:

§ 600.6131 VOR Federal airway No. 131 (McAlester, Okla., to Chanute, Kans., and Emporia, Kans., to Topeka, Kans.).

From the McAlester, Okla., VORTAC via the Okmulgee, Okla., VOR; Tulsa, Okla., VORTAC; to the Chanute, Kans., VOR. From the Emporia, Kans., VORTAC to the Topeka, Kans., VOR.

§ 601.6131 VOR Federal airway No. 131 control areas (McAlester, Okla., to Chanute, Kans., and Emporia, Kans., to Topeka, Kans.).

All of VOR Federal airway No. 131.

These amendments shall become effective 0001 e.s.t. June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2988; Filed, Apr. 1, 1960; 8:45 a.m.]

[Airspace Docket No. 59-WA-438]

[Amdt. 289]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

[Amdt. 353]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Extension of Federal Airway and Associated Control Areas

On January 6, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 84) stating that the Federal Aviation Agency proposed to extend VOR Federal airway No. 194 from Norfolk, Va., via the Norfolk VORTAC 001° True radial to its intersection with the Cape Charles, Va., VOR 313° True radial.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, §§ 600.6194 (24 F.R. 10521, 24 F.R. 9509, 25 F.R. 1990) and 601.6194 (24 F.R. 10602, 9509, 25 F.R. 1990) are amended as follows:

1. Section 600.6194 VOR Federal airway No. 194 (Lafayette, La., to Meridian, Miss., and Homer, Ga., to Norfolk, Va.):

(a) In the caption delete "(Lafayette, La., to Meridian, Miss., and Homer, Ga.,

to Norfolk, Va.)" and substitute therefor "(Lafayette, La., to Meridian, Miss., and Homer, Ga., to Cape Charles, Va.)."

(b) In the text delete "to the Norfolk, Va., VOR, including a S alternate via the INT of the Cofield VOR 084° and the Norfolk VOR 209° radials." and substitute therefor "Norfolk, Va., VORTAC, including a S alternate via the INT of the Cofield VOR 084° True and the Norfolk VORTAC 209° True radials; to the INT of the Norfolk, Va., VORTAC 001° True and the Cape Charles, Va., VOR 313° True radials."

2. In the caption of § 601.6194 VOR Federal airway No. 194 control areas (Lafayette, La., to Meridian, Miss., and Homer, Ga., to Norfolk, Va.), delete "(Lafayette, La., to Meridian, Miss., and Homer, Ga., to Norfolk, Va.)" and substitute therefor "(Lafayette, La., to Meridian, Miss., and Homer, Ga., to Cape Charles, Va.)."

These amendments shall become effective 0001 e.s.t. July 28, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2989; Filed, Apr. 1, 1960; 8:45 a.m.]

[Airspace Docket No. 59-NY-27, Amdt. 348]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Modification of Control Area Extension

On January 13, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 251) stating that the Federal Aviation Agency proposed to modify the Charleston, W. Va., control area extension.

No adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, § 601.1353 (24 F.R. 10565) is amended to read:

§ 601.1353 Control area extension (Charleston, W. Va.).

Within a 35-mile radius of the Kanawha County Airport, Charleston, W. Va. (latitude 38°22'21.5" N., longitude 81°35'34.6" W.), including the airspace W and NW of the Kanawha County Airport, bounded on the E by VOR Federal airway No. 133, on the S by VOR Federal airway No. 4, and on the NW by VOR Federal airways No. 45 and No. 44.

This amendment shall become effective 0001 e.s.t. June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2990; Filed, Apr. 1, 1960;
8:46 a.m.]

[Airspace Docket No. 59-WA-142; Amdt. 58]

PART 602—ESTABLISHMENT OF CODED JET ROUTES AND NAVI- GATIONAL AIDS IN THE CON- TINENTAL CONTROL AREA

Revocation of Coded Jet Route

On January 21, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 518) stating that the Federal Aviation Agency proposed to revoke VOR/VORTAC jet route No. 10 in its entirety.

No adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, Part 602 (14 CFR, 1958 Supp., Part 602) is amended as follows:

Section 602.510 *VOR/VORTAC jet route No. 10 (Los Angeles, Calif., to New York, N.Y.)* is revoked.

This amendment shall become effective 0001 e.s.t. June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2991; Filed, Apr. 1, 1960;
8:46 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 7535 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

Reichart Furniture Co. et al.

Subpart—Advertising falsely or misleadingly: § 13.155 *Prices*; § 13.155-40 *Exaggerated as regular and customary*; § 13.155-45 *Fictitious marking*. Subpart—Misrepresenting oneself and Goods—Business status, advantages or connections: Prices: § 13.1805 *Exaggerated as regular and customary*; § 13.1810 *Fictitious marking*.

(Sec. 6, 38 Stat. 722; 15 U.S.C. 46. Interpret or apply Sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 46) [Cease and desist order, Reichart Furniture Co., et al., Wheeling, W. Va., Docket 7535, March 8, 1960]

In the Matter of Reichart Furniture Company, a Corporation, and Robert L. Levenson, Edgar L. Levenson, and Donald W. Levenson, Individually and as Officers of Said Corporation

The complaint in this proceeding charged retailers of furniture, home furnishings, and electrical and other appliances in Wheeling, W. Va. with making deceptive pricing and savings claims for their merchandise by such advertisements as "Regularly \$16.95 BASE CABINET * * * \$8.88 * * *" "5-Pc. Day-O-Niter Outfit! * * * Usually \$129.95! Save \$41.95 * * * At Reichart's only \$88" in which the prices following the words "regularly", "usually", and "list" were greatly in excess of the usual prices and the purported savings were fictitious.

On the basis of a consent order, the hearing examiner made his initial decision and order to cease and desist which became on March 8 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That the respondents Reichart Furniture Company, a corporation, and its officers and Robert L. Levenson, Edgar L. Levenson and Donald W. Levenson, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device in connection with the offering for sale, sale, or distribution of merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Representing, directly or by implication:

1. That any amount is the price of merchandise in respondents' trade area when it is in excess of the price at which said merchandise is usually and customarily sold in said trade area;

2. That any amount is respondents' customary and usual price of merchandise, when it is in excess of the price at which said merchandise is customarily and usually sold by respondents in the recent regular course of business;

3. That any savings are afforded from respondents' customary and usual prices in the purchase of merchandise unless the price at which the merchandise is offered constitutes a reduction from the price at which it has been sold by respondents in the recent regular course of business;

4. That any saving is afforded in the purchase of merchandise from the price in respondents' trade area unless the price at which it is offered constitutes a reduction from the price at which said merchandise is usually and customarily sold in said trade area.

B. Misrepresenting in any manner the amount of savings available to purchasers of respondents' merchandise, or the amount by which the price of said merchandise is reduced from the price at which it is usually and customarily

sold by respondents or their competitors in the normal course of their business.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That the respondents Reichart Furniture Company, a corporation, and its officers, and Robert L. Levenson, Edgar L. Levenson and Donald W. Levenson, individually and as officers of said corporation, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: March 8, 1960.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F.R. Doc. 60-3000; Filed, Apr. 1, 1960;
8:47 a.m.]

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 55085]

PART 8—LIABILITY FOR DUTIES; ENTRY OF IMPORTED MERCHAN- DISE

PART 11—PACKING AND STAMPING; MARKING; TRADEMARKS AND TRADE NAMES; COPYRIGHTS

Miscellaneous Amendments

The Textile Fiber Products Identification Act, approved September 2, 1958 (15 U.S.C. 70-70k), effective March 3, 1960, and the regulations of the Federal Trade Commission (16 CFR Part 303) promulgated thereunder set forth certain labeling or marking requirements with respect to textile fiber products. In connection therewith, it is necessary that certain information be included in invoices covering such products when imported and that the Customs Regulations be amended by adding provisions to aid in carrying out the requirements of the Act and the regulations of the Federal Trade Commission with respect to imported textile fiber products.

Accordingly, customs invoices of textile fiber products imported on and after May 1, 1960, shall contain, in addition to all other information required by law or regulations, the following information:

(1) The constituent fiber or combination of fibers in the textile fiber product, designating with equal prominence each natural or manufactured fiber in the textile fiber product by its generic name in the order of predominance by the weight thereof if the weight of such fiber is 5 per centum or more of the total fiber weight of the product.

(2) The percentage of each fiber present, by weight, in the total fiber content of the textile fiber product, exclusive of ornamentation not exceeding 5 per centum by weight of the total fiber content.

(3) The name, or other identification issued and registered by the Federal Trade Commission, of the manufacturer of the product or one or more persons subject to section 3 of the Textile Fiber Products Identification Act (15 U.S.C. 70a) with respect to such product.

(4) The name of the country where processed or manufactured.

§ 8.13 [Amendment]

Section 8.13(h), Customs Regulations, is amended by adding the following to the list of merchandise with respect to which additional information is required to be furnished on customs invoices and by placing opposite such addition the number and date of this Treasury decision:

Textile fiber products.

(Sec. 9, 72 Stat. 1722, secs. 481(a) (10), 624, 46 Stat. 719; 759; 15 U.S.C. 70g, 19 U.S.C. 1481 (a) (10), 1624)

Part 11, Customs Regulations, is amended by adding a new § 11.12b reading as follows:

§ 11.12b Labeling textile fiber products.

(a) Textile fiber products imported into the United States shall be labeled or marked in accordance with the Textile Fiber Products Identification Act (15 U.S.C. 70-70k) and the rules and regulations promulgated thereunder by the Federal Trade Commission (16 CFR Part 303) unless exempt from marking or labeling under section 12 of the Act (15 U.S.C. 70j). An invoice or other paper, containing the specified information may be used in lieu of a label where the textile product is not in the form intended for sale, delivery to, or for use by the ultimate consumer. Rule 31 of the Federal Trade Commission (16 CFR 303.31).

(b) If imported fiber products are not correctly labeled and the collector is satisfied that the error or omission involved no fraud or willful neglect, the importer shall be afforded a reasonable opportunity to label the merchandise under customs supervision to conform with the requirements of such Act and the rules and regulations of the Federal Trade Commission. The compensation and expenses of customs officers and employees assigned to supervise the labeling shall be reimbursed to the Government and shall be assessed in the same manner as in the case of marking of country of origin, § 11.8(m).

(c) Packages of fiber products subject to the provisions of this section which are not designated for examination may be released pending examination of the designated packages, but only if there shall have been filed in connection with the entry the usual customs single entry or term bond in such amount as is prescribed for such bonds in § 25.4 of this chapter.

(d) The collector of customs shall give written notice to the importer of any lack of compliance with the Fiber Products Identification Act in respect of an importation of fiber products, and pursuant to § 8.26(a) of this chapter shall demand the immediate return of the involved products to customs custody, unless the lack of compliance is forthwith corrected.

(e) If the products covered by a notice and demand given pursuant to the preceding paragraph are not promptly returned to customs custody and the collector is not fully satisfied that they have been brought into compliance with the Fiber Products Identification Act, appropriate action shall be taken to effect the collection of liquidated damages in an amount equal to the entered value of the merchandise not redelivered, plus the estimated duty thereon as determined at the time of entry, unless the owner or consignee shall file with the appropriate customs officer an application for cancellation of the liability incurred under the bond upon the payment as liquidated damages of a lesser amount than the full amount of the liquidated damages incurred, or upon the basis of such other terms and conditions as the Secretary of the Treasury may deem sufficient. The application shall contain a full statement of the reasons for the requested cancellation and shall be in duplicate.

(f) If any willful or flagrant violation of the Act with respect to the importation of articles comes to the attention of a collector of customs, the involved merchandise shall be placed under seizure, or a demand shall be made for the redelivery of the merchandise if it has been released from customs custody, and the case shall be reported to the Federal Trade Commission, Washington 25, D.C.

(Secs. 2-12, 14, 72 Stat. 1717; 15 U.S.C. 70-70k)

(R.S. 161, as amended, sec. 501, 65 Stat. 290, R.S. 251, Sec. 624, 46 Stat. 759; 5 U.S.C. 22, 140, 19 U.S.C. 66, 1624)

Notice of proposed rule making and public procedure under section 4 of the Administrative Procedure Act (5 U.S.C. 1003) is found to be impracticable because the effective date of the above-mentioned Textile Fiber Products Identification Act and the regulations of the Federal Trade Commission is March 3, 1960, and it is important that these implementing amendments to the Customs Regulations be issued as soon as possible. For the same reason good cause is found for making these regulations (except the provision for additional information on invoices) effective upon publication in the FEDERAL REGISTER.

Copies of the Textile Fiber Products Identification Act and the rules and regulations promulgated under that Act have been sent directly to the collectors of customs by the Federal Trade Commission.

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

Approved: March 28, 1960.

A. GILMORE FLUES,
Acting Secretary of the Treasury.

[F.R. Doc. 60-3019; Filed, Apr. 1, 1960; 8:49 a.m.]

[T.D. 55084]

PART 25—CUSTOMS BONDS

Term Bond for Temporary Importations

Customs bonds—Customs Regulations amended; § 25.4 of the Customs Regula-

tions relating to approval of customs bonds, amended.

Section 25.4(a) (16) of the Customs Regulations provides that the term bond for temporary importations (customs Form 7563-A) shall be taken in an amount of \$10,000, or such larger amount as the collector may deem necessary. That form of bond may be written to cover entries at only one port or may be used as a blanket obligation to cover entries at 2 or more ports. Experience shows that when the bond covers entries at only one port, it may frequently be taken in an amount considerably less than \$10,000 without endangering the revenue. In the circumstances, § 25.4(a) (16) of the regulations is hereby amended to read as follows:

(16) Term bond for temporary importations, customs Form 7563-A, in such amount as the collector may deem necessary, but in no case less than \$1,000, unless the bond covers entries at 2 or more ports in which case the amount shall not be less than \$10,000.

(R.S. 161, as amended, 251, secs. 623, 624, 46 Stat. 759, as amended; 5 U.S.C. 22, 19 U.S.C. 66, 1623, 1624)

The purpose of this amendment is to enable the public to use the term bond for temporary importations covering entries at only one port in circumstances where it is now infeasible because of the \$10,000 minimum amount. It is, therefore, to the benefit of the public that this amendment be made effective at the earliest practicable date. Accordingly, pursuant to the provisions of section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found that notice and public procedure thereon are unnecessary and contrary to the public interest and good cause is found for making this amendment effective upon publication in the FEDERAL REGISTER.

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

Approved: March 28, 1960.

A. GILMORE FLUES,
Acting Secretary of the Treasury.

[F.R. Doc. 60-3018; Filed, Apr. 1, 1960; 8:49 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER A—GENERAL

[Docket No. FDC-67]

PART 9—COLOR CERTIFICATION

Deleting Certain D&C Coal-Tar Colors From List Subject to Certification; Order Extending Time for Filing Briefs

In the matter of deleting D&C Orange No. 5, D&C Orange No. 6, D&C Orange No. 7, D&C Orange No. 17, D&C Red No. 8, D&C Red No. 9, D&C Red No. 10, D&C Red No. 11, D&C Red No. 12, D&C Red No. 13, D&C Red No. 19, D&C Red No. 20, D&C Red No. 33, D&C Red No. 37, D&C

Yellow No. 7, D&C Yellow No. 8 and D&C Yellow No. 9 from the list of coal-tar colors subject to certification and adding to the list of colors certifiable for external use only all colors named except D&C Orange No. 6, D&C Orange No. 7, D&C Red No. 20, and D&C Yellow No. 9:

Pursuant to a notice published in the FEDERAL REGISTER of February 3, 1960 (25 F.R. 903), a public hearing was held in the matter of delisting certain D&C coal-tar colors from the list subject to certification. At the conclusion of the hearing on March 2, 1960, the presiding officer directed that briefs be filed on or before April 1, 1960.

Requests have been received from Revlon, Inc., and the Toilet Goods Association to extend the time for filing proposed findings of fact, corrections of the record, and briefs to April 15, 1960. Good reason therefor appearing: *It is ordered*, That the time for filing briefs in the above-entitled matter be extended to and including April 11, 1960, and that such extension shall apply to any interested person whose appearance was filed at the hearing.

(Sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 371)

Dated: March 30, 1960.

[SEAL] JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F.R. Doc. 60-3065; Filed, Apr. 1, 1960;
8:45 a.m.]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 207—NAVIGATION REGULATIONS

St. Petersburg Harbor and Tampa Bay, Fla.

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U.S.C. 1), § 207.175 is hereby amended in its entirety by changing the title of the section, redesignating the limits of the existing seaplane restricted area in St. Petersburg Harbor, and establishing a seaplane operating area in Tampa Bay, Florida, as follows:

§ 207.175 St. Petersburg Harbor and Tampa Bay, Fla.; seaplane restricted and operating areas.

(a) *The areas*—(1) *The seaplane restricted area.* The waters of St. Petersburg Harbor and Tampa Bay in the vicinity of the United States Coast Guard Air Station within an area described as follows: Beginning at the intersection of the easterly end of the concrete bulkhead along the northerly side of the Port of St. Petersburg with the northerly end of the steel bulkhead along the easterly side of the port; thence 242°30', 450 feet; thence 152°30', 600 feet; thence 180°00', 250 feet; thence 90°30', 6,300 feet; thence 360°00', 250 feet; thence 270°30', 5,775

feet; thence 360°00', 250 feet to the steel bulkhead on the east side of the port; thence along the steel bulkhead 332°30', 760 feet to the point of beginning.

NOTE: All bearings are referred to true meridian.

(2) *The seaplane operating area.* A circular area with a radius of one nautical mile having its center at latitude 27°45'33", longitude 82°35'24". The center of the circle will be marked by a yellow and black buoy which will be lighted and showing an occulting white characteristic.

(b) *The regulations.* (1) The restricted area shall not be used for fishing or mooring and shall be kept clear except for watercraft making transit to and from the St. Petersburg Harbor Turning Basin, Bayboro Harbor, or Salt Creek.

(2) Watercraft in the restricted area, shall give seaplanes the right-of-way. All watercraft shall promptly clear the restricted area when seaplanes are observed approaching or when warned by the siren of a crash boat, and shall remain clear of the restricted area while seaplanes are passing through the area.

(3) The enforcing agency will send out a crash boat to warn watercraft in or near the area of impending seaplane operations within the area.

(4) The enforcing agency will post at the intersection of the southerly end of the steel bulkhead along the easterly side of the Port of St. Petersburg with the westerly end of the steel bulkhead along the southerly boundary of the United States Coast Guard Air Station a large sign reading "DANGER! COAST GUARD PLANES HAVE RIGHT OF WAY IN THIS CHANNEL. CLEAR CHANNEL PROMPTLY WHEN PLANES ARE OBSERVED APPROACHING OR WHEN WARNED BY SIREN OF CRASH BOAT."

(5) Watercraft may navigate, anchor, or moor within the operating area. Fishing will be permitted.

(6) Watercraft utilizing the operating area during hours from sunset to sunrise, or during periods of low visibility, shall comply strictly with existing regulations of the rules of the road applicable to inland waters and motorboat regulations pertaining to required lighting while underway or at anchor.

(7) Watercraft within the operating area must recognize the fact that the maneuverability of aircraft on the surface is relatively limited as compared to that of vessels or vehicles specifically designed for surface operations. Therefore, it is essential that occupants of all watercraft shall, when in the seaplane operating area, exercise due vigilance and be alert for the presence of aircraft either taxiing on the surface or approaching for landings and takeoffs in the area.

(8) Seaplane landings and takeoffs will be covered by the presence of a crash boat whenever possible. Under unusual and infrequent circumstances seaplanes may be limited to a particular heading or position of the operating area, and watercraft in that vicinity may be requested by the Coast Guard to yield right-of-way to the aircraft for the particular maneuver involved. Under such

unusual conditions watercraft shall comply with the request made by the Coast Guard crash boat for the mutual safety of boats and aircraft.

(9) The regulations of this section shall be enforced by the Commanding Officer, United States Coast Guard Air Station, St. Petersburg, Florida, and such agencies as he may designate.

[Regs., Mar. 21, 1960, 285/91 (St. Petersburg Harbor, Fla.)—ENG CW-O] (Sec. 7, 40 Stat. 266; 33 U.S.C. 1)

BRUCE EASLEY,
Major General, U.S. Army,
Acting The Adjutant General.

[F.R. Doc. 60-2987; Filed, Apr. 1, 1960;
8:45 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

SUBCHAPTER I—MINERAL LANDS

[Circular 2040]

PART 188—ASPHALT LEASES

PART 193—COAL LEASES, PERMITS AND LICENSES

PART 195—SODIUM PERMITS AND LEASES; USE PERMITS

PART 196—PHOSPHATE LEASES AND USE PERMITS

PART 198—SULPHUR PERMITS AND LEASES

PART 199—MINERALS SUBJECT TO LEASE UNDER SPECIAL LAWS

PART 200—MINERAL DEPOSITS IN ACQUIRED LANDS AND UNDER RIGHTS-OF-WAY

Filing of Applications for Mineral Leases and Permits

On pages 9288 and 9299 of the FEDERAL REGISTER of November 17, 1959, there was published a notice and text of proposed amendments of §§ 188.12, 193.11, 195.3, 195.17, 196.7, 198.3, 198.19, 199.9 and 200.34 of Title 43, Code of Federal Regulations. The primary purpose of the amendments is to change the present requirements of these regulations with respect to descriptions of unsurveyed lands in applications for mineral permits and leases. The amendments also provide, in those instances where the present regulations require that lands included in a mineral lease or permit be entirely within an area of six miles square, that such lands be either entirely within a six miles square or within an area not exceeding six surveyed or protracted sections in length or width.

Interested persons were given 30 days within which to submit written comments, suggestions, or objections with respect to the proposed amendments. No pertinent comments, suggestions, or objections have been received, and the proposed amendments are hereby adopted without change and are set

forth below. These amendments shall become effective at the beginning of the 30th calendar day following the date of this publication in the FEDERAL REGISTER.

ELMER F. BENNETT,

Acting Secretary of the Interior.

MARCH 28, 1960.

1. Paragraph (a)(2) of § 188.12 is amended to read as follows:

§ 188.12 Application for lease by competitive bidding.

(a) * * *

(2) A complete and accurate description of the lands for which the lease is desired. If the lands have been surveyed under the public land rectangular system, each application must describe the lands by legal subdivision, section, township, and range. When protracted surveys have been approved and the effective date thereof published in the FEDERAL REGISTER, all applications to lease lands shown on such protracted surveys filed on or after such effective date, must describe the lands only according to the section, township, and range shown on the approved protracted surveys. If the lands have neither been surveyed on the ground nor shown on the records as protracted surveys, each application must describe the lands by metes and bounds, giving courses and distances between the successive angle points on the boundary of the tract, in cardinal directions except where the boundaries of the lands are in irregular form, and connected by courses and distances to an official corner of the public land surveys.

2. Paragraph (a)(4) of § 193.11 is amended to read as follows:

§ 193.11 Application for lease.

(a) * * *

(4) A complete and accurate description of the lands for which the lease is desired. If the lands have been surveyed under the public land rectangular system, each application must describe the lands by legal subdivision, section, township, and range. When protracted surveys have been approved and the effective date thereof published in the FEDERAL REGISTER, all applications to lease lands shown on such protracted surveys, filed on or after such effective date, must describe the lands only according to the section, township, and range shown on the approved protracted surveys. If the lands have neither been surveyed on the ground nor shown on the records as protracted surveys, each application must describe the lands by metes and bounds, giving courses and distances between the successive angle points on the boundary of the tract, in cardinal directions except where the boundaries of the lands are in irregular form, and connected by courses and distances to an official corner of the public land surveys. In Alaska the description of unsurveyed lands must be connected by courses and distances to either an official corner of the public land surveys or to a triangulation station established by any agency of the United States (such as the United States Geological Survey, the Coast and Geodetic

Survey, or the International Boundary Commission), if the record position thereof is available to the general public.

3. Section 195.3 is amended to read as follows:

§ 195.3 Area and limitation on holdings.

A lease or permit may not include more than 2,560 acres except where the rule of approximation applies. The lands in the lease or permit will be in reasonably compact form and entirely within an area of six miles square or within an area not exceeding six surveyed or protracted sections in length or width. No person, association or corporation may hold at any one time more than 5,120 acres in any one State, except as hereinafter stated, whether directly through ownership of sodium permits and leases, or of interests in them, or indirectly through association membership or stock ownership. Where necessary in order to secure the economic mining of leasable sodium compounds, a person, association, or corporation may be permitted to hold up to 15,360 acres in any one State.

4. Paragraph (a)(2) of § 195.17 is amended to read as follows:

§ 195.17 Application for lease by competitive bidding.

(a) * * *

(2) A complete and accurate description of the lands for which the lease is desired. If the lands have been surveyed under the public land rectangular system, each application must describe the lands by legal subdivision, section, township, and range. When protracted surveys have been approved and the effective date thereof published in the FEDERAL REGISTER, all applications to lease lands shown on such protracted surveys, filed on or after such effective date, must describe the lands only according to the section, township, and range shown on the approved protracted surveys. If the lands have neither been surveyed on the ground nor shown on the records as protracted surveys, each application must describe the lands by metes and bounds, giving courses and distances between the successive angle points on the boundary of the tract, in cardinal directions except where the boundaries of the land are in irregular form, and connected by courses and distances to an official corner of the public land surveys. In Alaska the description of unsurveyed lands must be connected by courses and distances to either an official corner of the public land surveys or to a triangulation station established by any agency of the United States (such as the United States Geological Survey, the Coast and Geodetic Survey, or the International Boundary Commission), if the record position thereof is available to the general public.

5. Paragraph (d) of § 196.7 is amended to read as follows:

§ 196.7 Application for lease.

* * *

(d) A complete and accurate description of the lands for which the lease is desired. If the lands have been surveyed under the public land rectangular sys-

tem, each application must describe the lands by legal subdivision, section, township, and range. When protracted surveys have been approved and the effective date thereof published in the FEDERAL REGISTER, all applications to lease lands shown on such protracted surveys, filed on or after such effective date, must describe the lands only according to the section, township, and range shown on the approved protracted surveys. If the lands have neither been surveyed on the ground nor shown on the records as protracted surveys, each application must describe the lands by metes and bounds, giving courses and distances between the successive angle points on the boundary of the tract, in cardinal directions except where the boundaries of the land are in irregular form, and connected by courses and distances to an official corner of the public land surveys. In Alaska the description of unsurveyed lands must be connected by courses and distances to either an official corner of the public land surveys or to a triangulation station established by any agency of the United States (such as the United States Geological Survey, the Coast and Geodetic Survey, or the International Boundary Commission), if the record position thereof is available to the general public.

6. Section 198.3 is amended to read as follows:

§ 198.3 Area and limitations on holdings.

A lease or permit may not include more than 640 acres except where the rule of approximation applies. The lands in the lease or permit will be in reasonably compact form and entirely within an area of six miles square or within an area not exceeding six surveyed or protracted sections in length or width. No person, association or corporation may hold more than three sulphur permits or leases in any one State during the life of such permits or leases.

7. Paragraph (a)(2) of § 198.19 is amended to read as follows:

§ 198.19 Application for lease by competitive bidding.

(a) * * *

(2) A complete and accurate description of the lands for which the lease is desired. If the lands have been surveyed under the public land rectangular system, each application must describe the lands by legal subdivision, section, township, and range. When protracted surveys have been approved and the effective date thereof published in the FEDERAL REGISTER, all applications to lease lands shown on such protracted surveys, filed on or after such effective date, must describe the lands only according to the section, township, and range shown on the approved protracted surveys. If the lands have neither been surveyed on the ground nor shown on the records as protracted surveys, each application must describe the lands by metes and bounds, giving courses and distances between the successive angle points on the boundary of the tract, in cardinal directions except where the boundaries of the lands are in irregular form, and connected by courses and

distances to an official corner of the public land surveys.

8. Paragraph (d) of § 199.9 is amended to read as follows:

§ 199.9 Form and contents of application.

(d) A complete and accurate description of the lands for which the lease is desired. If the lands have been surveyed under the public land rectangular system, each application must describe the lands by legal subdivision, section, township, and range. When protracted surveys have been approved and the effective date thereof published in the FEDERAL REGISTER, all applications to lease lands shown on such protracted surveys, filed on or after such effective date, must describe the lands only according to the section, township, and range shown on the approved protracted surveys. If the lands have neither been surveyed on the ground nor shown on the records as protracted surveys, each application must describe the lands by metes and bounds, giving courses and distances between the successive angle points on the boundary of the tract, in cardinal directions except where the boundaries of the lands are in irregular form, and connected by courses and distances to an official corner of the public land surveys.

9. Paragraph (a) (5) of § 200.34 is deleted and paragraphs (a) (4) and (d) of that section are amended to read as follows:

§ 200.34 Filing and contents of applications; filing fees; acreage limitation; qualifications; priority rights.

(a) * * *

(4) Contain a complete and accurate description of the lands for which the prospecting permit or lease is desired. If the lands have been surveyed under the rectangular system of public land surveys, and the description can be conformed to such survey system, the lands must be described by legal subdivision, section, township, and range. Where the description cannot be conformed to

No. 65—3

the public land survey, any boundaries which do not so conform must be described by metes and bounds, giving courses and distances between successive angle points with appropriate ties to established survey corners. If not so surveyed and if within the area of the public land surveys¹ the lands must be described by metes and bounds, giving courses and distances between the successive angle points on the boundary of the tract and connected with an official corner of those surveys by courses and distances. If not so surveyed and the tract is not within the area of the public land survey,¹ it must be described in a manner consistent with the description in the deed under which it was acquired, amplified where the deed description does not supply them, to include the courses and distances between the successive angle points on the boundary of the tract, and adequately shown on a plat or map to permit its location within the administrative unit or project of which it is a part.

(d) A prospecting permit may not include more than 2,560 acres, and will be issued to the first qualified applicant.² The lands in the permit must be entirely within an area of six miles square or within an area not exceeding six surveyed sections in length or width. An application for a prospecting permit which covers lands that are not located entirely within an area of six miles square or an area of six surveyed sections

¹ Lands "within the area of the public land surveys" are those north and west of the Ohio and Mississippi Rivers (except Texas), and in the States of Mississippi, Alabama, Florida, and Alaska.

² A larger area may be granted under the "rule of approximation" in those States covered by the public land rectangular system. That rule applies to applications for prospecting permits only where elimination of the smallest legal subdivision involved would result in a deficiency of area under 2,560 acres greater than the excess over 2,560 acres resulting from the inclusion of such subdivision.

in length or width will be rejected in its entirety.

[F.R. Doc. 60-3003; Filed, Apr. 1, 1960; 8:47 a.m.]

Title 35—PANAMA CANAL

Chapter I—Canal Zone Regulations

PART 4—OPERATION AND NAVIGATION OF PANAMA CANAL AND ADJACENT WATERS

Determination of Excessive Draft

Pursuant to the authority vested in the Governor of the Canal Zone by 35 CFR 4.11 as adopted by Canal Zone Order 30, January 6, 1953 (18 F.R. 280), a new § 4.3a of such title is added as set forth below, effective on and after January 1, 1961:

§ 4.3a Determination of excessive draft.

(a) Whether a vessel has excessive draft will be determined solely by the vessel's Plimsoll marks. Readings at the Plimsoll marks will be checked against the vessel's International Load Line Certificate for the allowable tropical fresh water draft.

(b) Every vessel shall display on both sides of its hull twenty-one inches aft of the load line disc, arabic numerals indicating the vessel's draft at the center line of the load line disc and at intervals of one foot for two feet below and above the center line of the said load line disc.

(c) The numerals shall be six inches high with a space of six inches between each digit and shall be clearly painted with dark figures on a light background or light figures on a dark background.

(d) Vessels not marked in accordance with this section will be subject to possible delay or denial of transit.

Issued at Balboa Heights, Canal Zone, March 17, 1960.

[SEAL]

W. E. POTTER,
Governor.

[F.R. Doc. 60-2986; Filed, April 1, 1960; 8:45 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 302]

INTERNATIONAL CLAIMS SETTLEMENT ACT, AS AMENDED

Notice of Proposed Rule Making

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such a case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 212(c) of the International Claims Settlement Act of 1949, as added by the Act of August 9, 1955 (Public Law 285, 84th Cong., 69 Stat. 562) and section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917, 26 U.S.C. 7805).

[SEAL] DANA LATHAM,
Commissioner of Internal Revenue.

The following regulations relate to the application of the internal revenue laws pursuant to section 212 of the International Claims Settlement Act of 1949, as added by the Act of August 9, 1955 (Public Law 285, 84th Cong., 69 Stat. 562):

- Sec.
302.1 Statutory provisions and Executive order; section 212 of the International Claims Settlement Act, and Executive Order 10644.
302.1-1 Definitions.
302.1-2 Application of regulations.
302.1-3 Protection of internal revenue prior to tax determination.
302.1-4 Computation of taxes.
302.1-5 Payment of taxes.
302.1-6 Interest and penalties.
302.1-7 Claims for credit or refund.

§ 302.1 Statutory provisions and Executive order; section 212 of the International Claims Settlement Act, and Executive Order 10644.

SEC. 212. (a) The vesting in any officer or agency designated by the President under

this title of any property or the receipt by such designee of any earnings, increment, or proceeds thereof shall not render inapplicable any Federal, State, Territorial, or local tax for any period before or after such vesting.

(b) The officer or agency designated by the President under this title shall, notwithstanding the filing of any claim or the institution of any suit under this title, pay any tax incident to any such property, or the earnings, increment, or proceeds thereof, at the earliest time appearing to him to be not contrary to the interest of the United States. The former owner shall not be liable for any such tax accruing while such property, earnings, increment, or proceeds are held by such designee, unless they are returned pursuant to this title without payment of such tax by the designee. Every such tax shall be paid by the designee to the same extent, as nearly as may be deemed practicable, as though the property had not been vested, and shall be paid only out of the property, or earnings, increment, or proceeds thereof, to which they are incident or out of other property acquired from the same former owner, or earnings, increment, or proceeds thereof. No tax liability may be enforced from any property or the earnings, increment, or proceeds thereof while held by the designee except with his consent. Where any property is transferred, otherwise than pursuant to section 207(a) or 207(b) hereof, the designee may transfer the property free and clear of any tax, except to the extent of any lien for a tax existing and perfected at the date of vesting, and the proceeds of such transfer shall, for tax purposes, replace the property in the hands of the designee.

(c) Subject to the provisions of subsection (b) of this section, the manner of computing any Federal taxes, including without limitation by reason of this enumeration, the applicability in such computation of credits, deductions, and exemptions to which the former owner is or would be entitled, and the time and manner of any payment of such taxes and the extent of any compliance by the designee with provisions of Federal law and regulations applicable with respect to Federal taxes, shall be in accordance with regulations prescribed by the Secretary of the Treasury to effectuate this section. Statutes of limitations on assessments, collection, refund, or credit of Federal taxes shall be suspended with respect to any vested property or the earnings, increment, or proceeds thereof, while vested and for six months thereafter; but no interest shall be paid upon any refund with respect to any period during which the statute of limitations is so suspended.

(d) The word "tax" as used in this section shall include, without limitation by reason of this enumeration, any property, income, excess-profits, war-profits, excise, estate, and employment tax, import duty, and special assessment; and also any interest, penalty, additional amount, or addition thereto not arising from any act, omission, neglect, failure, or delay on the part of the designee.

[Section 212, International Claims Settlement Act of 1949, as added by the Act of August 9, 1955 (Pub. Law 585, 84th Cong., 69 Stat. 562)]

EXECUTIVE ORDER 10644, APPROVED NOVEMBER 7, 1955 (20 F.R. 8363)

By virtue of the authority vested in me by Title II of the International Claims Settlement Act of 1949, as added by Public Law 285, 84th Congress, approved August 9, 1955 (69 Stat. 562), and by section 301 of title 3

of the United States Code, and as President of the United States, it is ordered as follows:

SECTION 1. The Attorney General, and, as designated by the Attorney General for this purpose, any Assistant Attorney General are hereby designated and empowered to perform the functions conferred by the said Title II of the International Claims Settlement Act of 1949 upon the President, and the functions conferred by that title upon any designee of the President.

SEC. 2. The Attorney General is hereby designated as the officer in whom property shall vest under the said Title II.

SEC. 3. As used in this order, the term "functions" includes duties, powers, responsibilities, authority, and discretion, and the term "perform" may be construed to include "exercise".

§ 302.1-1 Definitions.

(a) *General*. When used in the regulations in this part, the terms defined in this section shall have the meaning so assigned to them. A term not defined herein shall have the meaning, if compatible with the context, imputed thereto under the internal revenue laws.

(b) *Attorney General*. The term "Attorney General" includes the officer in whom property is vested pursuant to Title II of the International Claims Settlement Act of 1949, as amended. The term also includes the officer, including any Assistant Attorney General designated by the Attorney General for this purpose, designated and empowered pursuant to Executive Order No. 10644 to perform the functions conferred by Title II upon the President of the United States and the functions conferred by such Title upon the designee of the President.

(c) *Commissioner*. The term "Commissioner" means the Commissioner of Internal Revenue.

(d) *Person*. The term "person" includes a natural person, partnership, association, other unincorporated body, corporation, or body politic, having or claiming an interest in vested property or liable or charged with liability for internal revenue tax in connection with such property.

(e) *Former owner*. The term "former owner" means the owner immediately prior to vesting and any successor in interest by inheritance, devise, bequest, or operation of law, of such owner.

(f) *Property*. The term "property" means any property, right, or interest, including earnings, increments, or proceeds thereof.

(g) *Act*. The term "Act" means the International Claims Settlement Act of 1949, as amended by the Act of August 9, 1955 (Pub. Law 285, 84th Cong., 69 Stat. 562).

(h) *Tax*. The term "tax" includes, but is not limited to, any property, income, excess-profits, war-profits, excise, estate, and employment tax, import duty, and special assessment; and also any interest, penalty, additional amount, or addition thereto not arising from any

act, omission, neglect, failure, or delay on the part of the Attorney General.

§ 302.1-2 Application of regulations.

(a) *Property covered.* The regulations in this part are applicable in connection with property vested in the Attorney General pursuant to section 202 (a) of the Act and in connection with the net proceeds of any property described under section 202(b) of such Act which was vested in the Attorney General after December 17, 1941, pursuant to the Trading With the Enemy Act, as amended (40 Stat. 411).

(b) *Taxes covered.* The regulations in this part are applicable to any internal revenue tax with respect to (1) property vested in the Attorney General or any action or transaction incidental to such property, or (2) any person whose property is so vested or any action or transaction of such person, whether the tax is applicable in respect of the period of vesting or any other period.

§ 302.1-3 Protection of internal revenue prior to tax determination.

(a) *Suits and claims for return of vested property—(1) General.* The provisions of this paragraph apply in cases where there has been neither a final nor a tentative determination of internal revenue tax liability. See paragraphs (e) and (f) of § 302.1-4. In such cases vested property (including property vested pursuant to section 202(a) of the Act which is subject to divestment by reason of its ownership by a natural person) shall not be returned or divested except in accordance with this paragraph.

(2) *Notice to Commissioner—(i) Suits for recovery.* Where suit for the return of vested property has been instituted pursuant to section 207(a) of the Act, the Attorney General shall within a reasonable time after answer has been filed or after beginning of the trial of the case notify the Commissioner in writing of the property involved and the name, address, citizenship, residence, and business organization of the claimant, and any other pertinent information.

(ii) *Return without suit.* Where the Attorney General has determined that pursuant to section 207(b) of the Act vested property is to be returned to the claimant, the Attorney General shall notify the Commissioner in writing in the manner prescribed in subdivision (i) of this subparagraph at least 90 days prior to any return of such property.

(3) *Return of property—(i) By divestment.* Where the Attorney General has determined that property vested pursuant to section 202(a) of the Act was directly owned by a natural person, the Attorney General shall not divest himself of such property and restore it to its blocked status prior to vesting unless there has been a determination of tax liability pursuant to § 302.1-4 and a payment of such tax pursuant to § 302.1-5.

(ii) *Without security.* Where vested property is the subject of a suit or proceeding pursuant to the Act, it may be returned without security prior to determination of applicable internal revenue taxes and prior to the judgment of

the court or to the publication of the order of the Attorney General directing such return to the following described claimants under conditions hereinafter stated:

(a) *Residents and domestic enterprises.* In the case of claimants who at the time of return are (1) individuals permanently resident in the United States since December 7, 1941, or (2) corporations or other business enterprises organized under the laws of the United States, or any State, Territory, or possession thereof, or the District of Columbia, or doing business in the United States, the Attorney General may without notice to the Commissioner return the property at any time.

(b) *Non-residents, etc.* In the case of claimants who at the time of return are (1) individuals not permanently resident in the United States since December 7, 1941, or (2) nondomestic corporations or other nondomestic enterprises not doing business within the United States, the property may be returned not less than 90 days after notice by the Attorney General to the Commissioner in a case within subparagraph (2) (i) of this paragraph, or not less than 60 days after notice in a case within subparagraph (2) (ii) of this paragraph, unless within such time the Attorney General is advised otherwise by the Commissioner.

(iii) *When security required.* Except as provided in subdivisions (i) and (ii) of this subparagraph, vested property shall not be released prior to determination of tax liability without security satisfactory to the Commissioner, but determination of tax liability will be expedited in order that the release of the property or of the security shall not be unnecessarily delayed.

(4) *Security.* When security is required under subparagraph (3) (iii) of this paragraph, it shall be such of the following as the Commissioner considers necessary:

(i) *Bond.* A bond of the claimant conditioned upon payment of the full amount of internal revenue taxes determined to be due, filed with the district director in such amount, and with such sureties, as the Commissioner deems necessary. Only surety companies holding a certificate of authority from the Secretary of the Treasury may be used.

(ii) *Collateral security.* Collateral authorized by law deposited by the claimant in lieu of surety conditioned upon the payment of the full amount of internal revenue taxes determined to be due.

(iii) *Reservation of assets.* Monies, or if the monies are insufficient, so much of the other property involved, to be reserved by the Attorney General, as will be sufficient in the judgment of the Attorney General to cover any internal revenue tax liability determined by the Commissioner.

(b) *Vested property subject to debt claims—(1) Notice to Commissioner.* With respect to vested property available for the payment of debt claims pursuant to section 208 of the Act, and with respect to which debt claims have been filed, prior to the allowance of any such claims the Attorney General shall

in writing notify the Commissioner of the property involved, the citizenship, residence, business organization and other necessary information concerning the debtor and the aggregate of debt claims filed in respect thereof.

(2) *Action by Commissioner.* Upon receipt of the notice provided in subparagraph (1) of this paragraph the Commissioner shall, as soon as practicable and not later than 120 days after receipt of notice, unless the time is extended by the Commissioner after notice to the Attorney General, (i) determine the taxes payable by the Attorney General in respect of the debtor, or (ii) advise the Attorney General of the provision, if any, to be made by him for payment of taxes with respect of the debtor.

§ 302.1-4 Computation of taxes.

(a) *Detail of employees of the Internal Revenue Service.* The Commissioner will detail for the assistance of the Attorney General such employees of the Internal Revenue Service as may be necessary to make the computations under the regulations in this part promptly and accurately.

(b) *Relationship of Attorney General and former owner.* In the computation of tax liability under the regulations in this part, except as otherwise provided herein, the vesting of property shall not be considered as affecting the ownership thereof; and any act of the Attorney General in respect of such property (including the collection or operation thereof and any investment, sale, or other disposition and any payment or other expenditure) shall be considered as the act of the owner. Nevertheless, except as otherwise provided in the Act or the regulations in this part, insofar as taxes are incident to the vested property during the period of vesting, they shall be payable by the Attorney General, except that to the extent of the value of any of the property returned to the former owner the latter shall be liable for such tax not paid by the Attorney General. While tax incident to nonvested property is collectible out of both vested and nonvested property, the nonvested property will be regarded as the primary source of collection of such tax. In determining the amount of liability to be paid out of property not vested by the Attorney General a computation shall be made covering the taxpayer's full period of liability, but without regard to the vested property, or the income received by, or the operations of, the Attorney General. The amount so computed shall be first asserted against and collected so far as practicable from the taxpayer or out of his property which is not vested. Such part of the total tax liability as is not paid by the taxpayer or collected out of property not vested shall be asserted against the vested property. See § 302.1-5, relating to payment of taxes, and § 302.1-7, relating to claims for credit or refund.

(c) *Laws applicable to computations.*

Except as otherwise specifically provided in the regulations in this part, the computation under the regulations in this part of any internal revenue tax liability shall be in accordance with the

internal revenue laws and regulations applicable thereto, including all amendments of such laws or regulations enacted or promulgated prior to determination of the tax.

(d) *Periods for which computations made.* The amount of income, declared value excess profits, excess profits, capital stock, employment, and excise taxes under the internal revenue laws will be computed for each taxable year or period during all or part of which property is vested prior to the return of the property. In the case of a return of property prior to computation of tax, see § 302.1-3. Where vesting occurs during a taxable year or taxable period, any return filed or computation made covering vested or nonvested property should nevertheless be for the entire year or period. See paragraph (b) of this section. Unless facts are available indicating a liability for taxes for a taxable year or period occurring wholly prior or subsequent to the period of vesting of the property by the Attorney General, the computations under the regulations in this part, both tentative and final, will be made only in respect of years and periods during all or part of which the property is held by the Attorney General.

(e) *Tentative computation.* In order that the return of property or other appropriate action may not be delayed until the amount of taxes payable is finally computed and paid, a tentative computation of such amount will be made in every case, unless there are circumstances appearing to make such action inappropriate. Such circumstances would include (1) return of the property in accordance with § 302.1-3, (2) notice to the Commissioner by the person to whom the property is returnable or by the Attorney General that such person or the Attorney General, as the case may be, prefers that the return of the property be postponed until the amount of such taxes can be finally computed or (3) belief on the part of the Commissioner that a final computation will not unduly delay the return of, or other appropriate action with respect to, the property. In making any such tentative computation of income, profits, or estate tax, the gross income or the gross estate, as the case may be, as shown by the records of the Attorney General (excluding therefrom items exempt from taxation) shall be considered as the taxable or net income or taxable or net estate, respectively, unless a tax return has been filed or facts are available upon which a more accurate computation can be made. In any case in which a duly authorized officer or employee of the Internal Revenue Service has otherwise computed the amount of taxes payable in respect of any period, such computation will be accepted as a tentative computation, unless the facts clearly indicate that a more accurate computation can be made.

(f) *Final computation.*—(1) *General.* A final computation of the amount of taxes payable by the person to whom property is returnable, or out of property to be returned, will be made as soon as practicable in every case. In any case in which the amount shown by a tentative computation has been paid, re-

fund or credit of any amount paid in excess of the amount properly due will be made in accordance with the final computation, even though a claim therefor has not been filed, if the period of limitation applicable to the filing of such claim has not expired. However, if it is desired to protect the right to any credit or refund determined to be due, a claim for credit or refund should be filed. The sufficiency of any such claim in respect of an amount paid in accordance with a tentative computation under the regulations in this part will not be questioned solely because facts upon which a more accurate computation could be made are not available or cannot be established at the time such claim is filed. Any such claim in respect of an amount paid in accordance with a final computation must, however, clearly set forth in detail under penalties of perjury all the facts relied upon in support of the claim and must conform to the regulations applicable to an ordinary claim for refund or credit. See § 302.1-7 relating to claims for credit or refunds.

(2) *Information required.*—(i) *Income and profits taxes.* The following information submitted under penalties of perjury by or for the taxpayer is necessary in each case for a final computation, for each taxable year for which the computation is to be made:

(a) All income (other than income received by the Attorney General) from sources within the United States, or if no such income has been received, then a statement to that effect, except that in the case of a citizen or resident of the United States, income from sources without as well as within the United States must be shown.

(b) If a return of such income has been made, then the following data in respect of such return:

(1) The taxable year for which the return was made and the tax (whether income, declared value excess profits, or excess profits tax) paid;

(2) The name of the taxpayer for whom the return was made;

(3) The name of the agent or other person (if any) by whom such return was made;

(4) The office of the district director in which such return was filed.

(c) Such other facts as may be required, from time to time, by the Commissioner.

(ii) *Other taxes.* Except as otherwise provided in subdivision (i) of this subparagraph, in order to make a final computation of the amount of any internal revenue tax payable by return in any case, the usual return should be filed, together with the supporting documents required by the regulations pertaining to the tax.

(g) *Tax returns.*—(1) *General.* In many cases allowance of deductions and credits is contingent upon the making of a return in accordance with the applicable internal revenue law. The submission of evidence relative to income or profits tax in accordance with subdivisions (a) and (c) of paragraph (f) (2) (i) of this section will be considered as the making of the return required by any such law, only (1) for any taxable period, ending on or before December 31,

1946, during all or part of which all or part of the property of the taxpayer was held by the Attorney General, or (ii) for any taxable period ending within one year from the date of the first return to the taxpayer of any part of the property held by the Attorney General, whichever period ends later. In all other cases a return will be required in accordance with the applicable internal revenue law and regulations. In the case of returns where property is vested during a taxable year or period, see paragraph (d) of this section.

(2) *Estates and trusts.* In the case of estates and trusts the fiduciaries shall file returns, including information returns as required by section 147 of the Internal Revenue Code of 1939 or section 6041 of the Internal Revenue Code of 1954.

(3) *Income tax forms to be used.*—(i) *General.* In the case of taxpayers engaged in trade or business in the United States Forms 1040B and 1120, as may be appropriate, shall be used. Where the taxpayer is not engaged in trade or business in the United States, Form M797 may be used in lieu of Forms 1040NB, 1040NB-a, and 1120NB.

(ii) *Definition.* When used in subdivision (i) of this subparagraph, the term "engaged in trade or business in the United States" includes the managing and renting of real estate in the United States by an agent of the Attorney General or of the former owner duly authorized to execute rental agreements and to pay all taxes and charges incident to the repair and maintenance of such property, but does not include the mere renting or leasing of property under agreement requiring the lessee or occupant to pay taxes and to make repairs or improvements.

§ 302.1-5 Payment of taxes.

(a) *Pursuant to tentative computations.* The amount of taxes shown by a tentative computation, shall be paid by the Attorney General or the taxpayer, as the case may be, to be district director as soon as practicable after the tentative computation has been made. It will not be necessary, however, for the payment by the Attorney General to be made prior to the return of property if an amount sufficient to cover all internal revenue taxes is retained from the property by the Attorney General.

(b) *Pursuant to final computations.* Upon a final computation of internal revenue taxes properly payable, the amount thereof remaining unpaid shall be paid by the Attorney General to the district director as soon as practicable after the final computation has been made, or, in case the property has been returned to the former owner, by such owner. If the final computation shows that the full amount of internal revenue taxes properly payable is less than the amount previously paid, the difference shall be credited or refunded in accordance with the provisions of the regulations in this part and other applicable regulations. A final computation will not prohibit a subsequent recomputation if it is determined that the amount shown by the final computation is erroneous.

(c) *Deficiency procedure.* The Attorney General shall pay internal revenue taxes without regard to the provisions of law relating to the sending of a deficiency notice by certified or registered mail or to notice and demand.

§ 302.1-6 Interest and penalties.

(a) *Liability for interest and civil penalties.* Under subsection (d) of section 212 of the Act there is no liability for interest or penalty on account of any act or failure of the Attorney General. Such subsection is not applicable to interest or penalties payable in respect of any act or failure during the period prior to the vesting of the property by the Attorney General, or after the return of the property, or during the period during which the property was vested by the Attorney General on account of an act or omission of any person other than the Attorney General.

(b) *Adjustment.* In case of any assessment or collection, or credit or refund, of interest or a civil penalty contrary to section 212 (c) or (d) of the Act, proper adjustment shall be made.

§ 302.1-7 Claims for credit or refund.

(a) *Time for filing claims.* Claims for credit or refund must be filed within the period prescribed by section 322 of the Internal Revenue Code of 1939 or by section 6511 of the Internal Revenue Code of 1954, as modified by section 212(c) of the Act. Any such claim must contain a detailed statement under the penalties of perjury of all the facts relied upon in support of the claim and should be filed with the district director of the district in which the tax was paid. See paragraph (f) (1) of § 302.1-4 relating to final computation.

(b) *Attorney General acting for taxpayer.* Any act of the Attorney General for, or on behalf of, a taxpayer in respect of any claim under the regulations in this part will be considered as the act of such taxpayer, unless such taxpayer notifies the Commissioner in writing, by the filing of a claim for refund or credit or otherwise, that he does not ratify such act. See paragraph (b) of § 302.1-4 relating to relationship of Attorney General and former owner.

(c) *Refund payable to Attorney General.* All refund of taxes paid by the Attorney General shall be made directly to that official.

[F.R. Doc. 60-3021; Filed, April 1, 1960; 8:49 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[25 CFR Part 184]

LEASING OF CERTAIN LANDS IN WIND RIVER INDIAN RESERVATION, WYOMING, FOR OIL AND GAS MINING

Consent of Joint Business Council of the Shoshone and Arapahoe Tribes to the Leasing of Ceded Lands

Basis and purpose. Notice is hereby given that pursuant to authority vested

in the Secretary of the Interior by the act of August 21, 1916 (39 Stat. 519), it is proposed to amend 25 CFR, Part 184, as set forth below. The purpose of the amendments is to provide regulations which will require the consent of the Joint Business Council of the Shoshone and Arapahoe Tribes to the initial issuance of oil and gas leases and consultation with the Council prior to the renewal of the leases covering ceded lands within the Wind River Indian Reservation, Wyoming.

It is the policy of the Department of the Interior whenever practicable, to afford the public an opportunity to participate in the rule making process. Accordingly, interested persons may submit written comments, suggestions, or objections with respect to the proposed amendments to the Bureau of Indian Affairs, Washington 25, D.C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

1. The caption and paragraph (a) of § 184.4 are amended to read as follows:

§ 184.4 Sale of oil and gas leases.

(a) At such times and in such manner as he may deem appropriate, after being authorized by the Joint Business Council of the Shoshone and Arapahoe Tribes or its authorized representative, the superintendent shall publish notices at least thirty days prior to the sale, unless a shorter period is authorized by the Secretary of the Interior or his authorized representative, that oil and gas leases on specific tracts, each of which shall be in a reasonably compact body, will be offered to the highest responsible bidder for a bonus consideration, in addition to stipulated rentals and royalties. Each bid must be accompanied by a cashier's check, certified check, or postal money order, payable to the payee designated in the invitation to bid, in an amount not less than 25 percent of the bonus bid. Within 30 days after notification of being the successful bidder, said bidder must remit the balance of the bonus, the first year's rental, and his share of the advertising costs, and shall file with the superintendent the lease in completed form. The superintendent may, for good and sufficient reasons, extend the time for completion and submission of the lease form, but no extension shall be granted for remitting the balance of monies due. If the successful bidder fails to pay the full consideration within said period, or fails to file the completed lease within said period or extension thereof, or if the lease is disapproved through no fault of the lessor or the Department of the Interior, 25 percent of the bonus bid will be forfeited for the use and benefit of the Shoshone and Arapahoe Tribes.

2. Section 184.5 is amended to change the caption and to read as follows:

§ 184.5 Terms of leases, procedure for renewal and execution.

(a) Leases shall be for a period of twenty years with the preferential right in the lessee to renew the same for successive periods of ten years each upon such reasonable terms and conditions as

may be prescribed by the Secretary of the Interior or his authorized representative, unless otherwise provided by law at the expiration of any such period. Applications for renewal of leases shall be filed with the superintendent within ninety days prior to the date of expiration of the lease. One copy of the application for renewal shall be filed by the applicant with the Joint Business Council of the Shoshone and Arapahoe Tribes and no lease shall be renewed unless the Joint Business Council or its authorized representative is afforded an opportunity to present the Council's views to the Secretary of the Interior or his authorized representative.

(b) The Secretary of the Interior or his authorized representative may execute oil and gas leases with the consent of the Joint Business Council or its authorized representative, and may execute renewals of leases after consultation with the Joint Business Council or its authorized representative.

ROGER ERNST,

Assistant Secretary of the Interior.

MARCH 28, 1960.

[F.R. Doc. 60-3001; Filed, Apr. 1, 1960; 8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[9 CFR Part 201]

PAYMENT FOR LIVESTOCK

Extension of Time for Comments

On February 17, 1960, there was published in the FEDERAL REGISTER (25 F.R. 1414) a notice of a proposal to amend § 201.43 (9 CFR 201.43) of the regulations under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), by designating the text of present § 201.43 of the regulations as paragraph "(a)" and by adding a new paragraph "(b)" relating to prompt payment for livestock purchased. Interested persons were given a period of 30 days within which to file written data, views, or arguments concerning the proposed amendment.

The Department has received various requests for an extension of the period of time within which to file written data, views, or arguments. These requests appear reasonable. Accordingly, notice is hereby given of an extension, until April 20, 1960, of the period of time within which any person may submit written data, views, or arguments concerning the proposed amendment. Any such written data, views, or arguments should be filed with the Director, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C.

Done at Washington, D.C., this 28th day of March 1960.

ROY W. LENNARTSON,
Deputy Administrator.

[F.R. Doc. 60-3011; Filed, Apr. 1, 1960; 8:48 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 120]

TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Notice of Filing of Petition

In re: Notice of filing of petition for establishment of tolerances for residues of ethion (*O,O,O',O'*-tetraethyl *S,S'*-methylene bisphosphorodithioate).

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(1), 68 Stat. 512; 21 U.S.C. 346a(d)(1)), the following notice is issued:

A petition has been filed by Niagara Chemical Division, Food Machinery and Chemical Corporation, Middleport, New York, proposing the establishment of a tolerance of 1 part per million for residues of ethion (*O,O,O',O'*-tetraethyl *S,S'*-methylene bisphosphorodithioate) in or on apples, grapes, peaches, pears, plums and prunes.

The analytical method proposed in the petition for determining residues of ethion is that published in the FEDERAL REGISTER of August 18, 1959 (24 F.R. 6696), with mercuric chloride and sodium hydroxide treatments to eliminate interferences from other phosphorodithioate pesticides.

Dated: March 28, 1960.

[SEAL] J. K. KIRK,
Assistant to the Commissioner
of Food and Drugs.

[F.R. Doc. 60-3017; Filed, Apr. 1, 1960;
8:49 a.m.]

DEPARTMENT OF LABOR

Division of Public Contracts

[41 CFR Part 50-202]

OFFICE, COMPUTING, AND ACCOUNTING MACHINES INDUSTRY

Notice of Hearing To Determine Prevailing Minimum Wages

MARCH 29, 1960.

Pursuant to the provisions of section 1(b) of the Walsh-Healey Public Contracts Act (49 Stat. 2036, as amended; 41 U.S.C. 35 et seq.) and section 4(a) of the Administrative Procedure Act (60 Stat. 238; 5 U.S.C. 1003), notice is hereby given that a hearing to determine the prevailing minimum wages in the Office, Computing, and Accounting Machines Industry will be held before a duly assigned Hearing Examiner on April 26, 1960, beginning at 10:00 a.m. in Room 5042, Department of Commerce Building, 14th Street and Constitution Avenue NW., Washington, D.C.

For the purpose of this hearing, the Office, Computing and Accounting Machines Industry is defined as the manu-

facture of machines primarily designed for office or business use, including, but not limited to, the following:

Accounting machines.
Adding machines.
Addressing machines (manual and automatic).
Billing machines.
Bookkeeping machines.
Calculating machines.
Cash registers.
Change making machines.
Check handling machines.
Collating machines.
Currency and coin handling machines.
Dating machines (automatic).
Dictating and transcribing machines.
Duplicating machines (except photocopy, blueprint and printing).
Electronic computing and associated information processing equipment.
Envelope handling machines (automatic).
Folding machines.
Inserting machines.
Key punch machines.
Label pasting machines.
Mailing machines.
Payroll machines.
Perforating and cancelling machines (except hand punches).
Postal permit mailing machines.
Post office cancelling machines.
Punched card tabulating machines.
Shorthand machines.
Sorting machines.
Stamp affixing machines.
Stencil machines.
Tabulating machines.
Time recorders.
Time stamping machines (except hand stamping).
Typewriters.
Vartypers.

This definition does not include other devices of simple construction and normally hand-operated, such as pencil sharpeners, paper punches, staplers, gummed tape moisteners, seal presses, erasing machines, autographic registers, and rubber stamps.

Any interested person may appear at the time and place specified herein and submit evidence as to the following subjects and issues: (1) The appropriateness of the proposed definition of the industry; (2) what are the prevailing minimum wages in the industry; (3) whether a single determination for all the area in which the industry operates or separate determinations for smaller geographic areas (including the appropriate limits of such areas) should be determined for this industry; and (4) whether there should be included in any determination for this industry provisions for the employment of beginners or probationary workers at wages lower than the prevailing minimum wages and on what terms or limitations, if any, such employment should be permitted.

Employment and wage data in this industry for the payroll period ending nearest May 15, 1959 have been gathered by the Department of Labor. Data relating to the competition in this industry for Government contracts have also been collected. This information will be submitted for consideration at the hearing and is now available to interested persons on request.

Written statements may be filed with the Chief Hearing Examiner at any time prior to the hearing by persons who cannot appear personally. An original and

three copies of any such statement shall be filed and shall include the reason or reasons for nonappearance. Such statement shall be under oath or affirmation, and will be offered in evidence at the hearing. If objection is made to the admission of any such statement, the Presiding Officer shall determine whether it will be received in evidence.

To the extent possible, the evidence of each witness and the sworn or affirmed statements of persons who cannot appear personally, should permit evaluation on a plant-by-plant basis, and state: (1) (a) The number and location of establishments in the industry to which the testimony of such witness or such written statement is applicable, (b) the number of workers in each such establishment, (c) the minimum rates paid to covered workers, the number of covered workers at each such establishment receiving such rates and the occupations in which they are employed, (d) the minimum wages paid to beginners or probationary workers in each such establishment, the scale of wages paid during probationary periods, the length of such periods, the number of workers receiving such wages, and the occupations in which they are employed; (2) the identity of any product not now included in the definition of the industry which should be included and of any product now included which should not be included; (3) the geographic area or areas of competition for Government contracts within this industry; and (4) the changes in the minimum wages paid since May 15, 1959, for persons employed in this industry.

The hearing will be conducted pursuant to the rules of practice for minimum wage determinations under the Walsh-Healey Public Contracts Act codified in 41 CFR Part 203.

Signed at Washington, D.C., this 26th day of March 1960.

JAMES P. MITCHELL,
Secretary of Labor.

[F.R. Doc. 60-3004; Filed, Apr. 1, 1960;
8:47 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 507]

[Reg. Docket No. 327]

AIRWORTHINESS DIRECTIVES

De Havilland

Pursuant to the authority delegated to me by the Administrator (§ 405.27, 24 F.R. 2196), notice is hereby given that the Federal Aviation Agency has under consideration a proposal to amend Part 507 of the regulations of the Administrator to include an airworthiness directive requiring inspection for cracks in the wing root joint fitting of De Havilland Heron Model 114 aircraft, and replacement of defective parts to preclude occurrence of an unsafe condition in service.

Interested persons may participate in the making of the proposed rule by submitting such written data, views or arguments as they may desire. Communications should be submitted in duplicate to

the Docket Section, of the Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. All communications received on or before May 3, 1960, will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in light of comments received. All comments submitted will be available, in the Docket Section, for examination by interested persons when the prescribed date for return of comments has expired. This proposal will not be given further distribution as a draft release.

This amendment is proposed under the authority of sections 313(a), 601 and 603 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423).

In consideration of the foregoing, it is proposed to amend § 507.10(a), (14 CFR Part 507), by adding the following airworthiness directive:

DE HAVILLAND. Applies to Heron Model 114 aircraft Serial Numbers 14001 through 14136.

Compliance required as indicated.

During fatigue tests, cracks caused by corrosion and fretting occurred in the wing main lower root joint fitting at an equivalent time in service of 13,000 hours. To preclude the failure of this fitting in service compliance with De Havilland Technical News Sheet CT(114) No. W9 is required by July 15, 1960, for aircraft which have exceeded 12,000 hours time in service. For all other aircraft, compliance required before exceeding 12,000 hours time in service but not later than: December 31, 1960, for Serial Numbers 14001 to 14091 inclusive; December 31, 1961, for Serial Numbers 14092 to 14136 inclusive.

Magnetic particle and dye penetrant methods of inspection may be used in lieu of the crack testing methods called for in De Havilland Technical News Sheet CT(114) No. W9. Other jointing, antifretting and anticorrosive, and sealing compounds, if shown to be equivalent to the commercially designated compounds in De Havilland Technical News Sheet CT(114) No. W9 may be used.

For aircraft incorporating modifications 520 and/or 918 since date of manufacture, compliance time in service begins at the date these modifications were accomplished.

Issued in Washington, D.C., on March 28, 1960.

B. PUTNAM,
Acting Director, Bureau of
Flight Standards.

[F.R. Doc. 60-2992; Filed, Apr. 1, 1960;
8:46 a.m.]

[14 CFR Part 600]

[Airspace Docket No. 60-WA-71]

FEDERAL AIRWAYS

Modification

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to §§ 600.6066 and 600.6208 of the regulations of the Administrator, the substance of which is stated below.

VOR Federal airway No. 66 extends, in part, from the intersection of a line bearing 345° True and toward the Julian, Calif., Radio Beacon and the El Centro, Calif., VOR 265° True radial, to the El

Centro VOR. VOR Federal airway No. 208 extends, in part from the Oceanside, Calif., VOR to the Thermal, Calif., VOR via the intersection of the Oceanside VOR 101° and the San Diego-Lindbergh Field, Calif., TVOR 044°. True radials.

The Federal Aviation Agency has under consideration the realignment and extension of this segment of Victor 66 from the El Centro VOR direct to the San Diego, Calif., VOR at its new location at latitude 32°45'54" N., longitude 117°13'52" W. This would complete the segment of Victor 66 between San Diego and El Centro and provide a continuous airway for traffic from San Diego to points east. The Federal Aviation Agency also has under consideration realignment of Victor 208 between Oceanside and Thermal via the intersection of the Oceanside VOR 101° and the San Diego VOR 046° True radials. Utilization of a radial of the San Diego VOR in lieu of the San Diego-Lindbergh Field TVOR will provide more precise navigational guidance along the airway. The control areas associated with Victor 66 and Victor 208 are so designated that they would automatically conform to the realigned airways. Accordingly, no amendment to such control areas would be necessary.

If this action is taken, VOR Federal airway No. 66 and VOR Federal airway No. 208 would extend, in part, as follows:

VOR Federal airway No. 66 from the San Diego, Calif., VOR direct to the El Centro, Calif., VOR.

VOR Federal airway No. 208 from the Oceanside, Calif., VOR to the Thermal, Calif., VOR via the intersection of the Oceanside VOR 101° and the San Diego, Calif., VOR 046° True radials.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, 5651 West Manchester Avenue, P.O. Box 90007, Airport Station, Los Angeles 45, Calif. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Field Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Management Field Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2996; Filed, Apr. 1, 1960;
8:46 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-FW-96]

FEDERAL AIRWAYS, CONTROL AREAS AND REPORTING POINTS

Revocation

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Parts 600 and 601 of the regulations of the Administrator, the substance of which is stated below.

Red Federal airway No. 84 presently extends from Meridian, Miss., to Maxwell Air Force Base, Ala. The Federal Aviation Agency has under consideration the revocation of this airway. A Federal Aviation Agency IFR peak-day airway traffic survey for calendar year 1959 shows a maximum of 8 aircraft movements between any two reporting points on Red 84. On the basis of the survey, it appears that the retention of this airway and its associated control areas is unjustified as an assignment of airspace and that the revocation thereof would be in the public interest. In addition, § 601.4284 relating to reporting points would be revoked.

If this action is taken, Red Federal airway No. 84, its associated control areas and reporting points would be revoked.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Field Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air

Traffic Management Field Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2997; Filed, Apr. 1, 1960;
8:46 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-NY-58]

FEDERAL AIRWAYS, CONTROL AREAS AND REPORTING POINTS

Modification

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to §§ 600.6016, 600.6044, 600.6238, 601.6044, 601.6238 and 601.7001 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency has under consideration the following proposed airspace actions.

1. Modification of VOR Federal airway No. 16 which presently extends in part from Kenton, Del., to Coyle, N.J. It is proposed to redesignate this segment of Victor 16 from the Kenton VOR via a VOR to be installed approximately October 1, 1960, near Millville, N.J., at latitude 39°32'17" N., longitude 74°58'03" W.; thence to the Coyle VOR.

2. Modification of VOR Federal airway No. 44, which presently extends in part, from Baltimore, Md., to the Price, Md., intersection. It is proposed to extend Victor 44 northeasterly from the Price intersection via the Kenton VOR, intersection of the Kenton VOR 086° True radial and the 233° True radial of a VOR to be installed approximately October 1, 1960, near Barnegat, N.J., at latitude 39°37'30" N., longitude 74°20'00" W., thence to the Barnegat VOR.

3. Modification of VOR Federal airway No. 238, which presently extends, in part, from Woodstown, N.J., to the Atlantic City, N.J., intersection. It is proposed to realign this segment of Victor 238 from the Woodstown VOR to the intersection of the Woodstown VOR 106° True radial and the Barnegat, N.J., VOR 233° True radial (Pomona, N.J., Intersection).

These proposed airspace actions are part of a plan to improve air traffic flow capabilities into and from the New York City Metropolitan area. In addition, more precise navigational guidance would be provided on the airway segments to be realigned via the planned Millville and Barnegat VOR's. Concurrently, it is proposed to designate reporting points at the Millville, VOR Barnegat VOR and the Leesburg, N.J., intersection (Barnegat VOR 233° and the Kenton VOR 086° True radials).

The control areas associated with VOR Federal airway No. 16 are so designated that they would automatically conform to the modified airway. Accordingly, no amendment relating to such control areas would be necessary.

If these actions are taken:

1. The segment of VOR Federal airway No. 16 from Kenton, Del., to Coyle, N.J., would be redesignated via the Millville, N.J., VOR.

2. VOR Federal airway No. 44 and its associated control areas would be extended from Price, Md., to Barnegat, N.J., via the Kenton, Del., VOR; intersection of the Kenton VOR 086° and the Barnegat, N.J., VOR 233° True radials.

3. The segment of VOR Federal airway No. 238 from Woodstown to Atlantic City, N.J., and its associated control areas would be redesignated from Woodstown to the Pomona, N.J., Intersection (Woodstown VOR 106° and the Barnegat VOR 233° True radials).

4. Reporting points would be designated at the Millville, N.J., VOR, the Barnegat, N.J., VOR and the Leesburg, N.J., Intersection (Barnegat VOR 233° and the Kenton, Del., VOR 086° True radials).

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, Federal Building, New York International Airport, Jamaica 30, N.Y. All communications received within forty-five days after publication of this notice in the *FEDERAL REGISTER* will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Field Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Management Field Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2995; Filed, Apr. 1, 1960;
8:46 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 60-KC-16]

FEDERAL AIRWAYS AND CONTROL AREA

Designation

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Parts 600 and 601 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency is considering designating VOR Federal airway No. 470 from the United States/Canadian Border (Lakehead, Ontario, VOR) to the Sault Ste. Marie, Mich., VOR via the Houghton, Mich., VOR, thence via a VORTAC to be installed approximately December 15, 1960, near Marquette, Mich., at latitude 46°32'10" N., longitude 87°33'38" W., and via the intersection of the Marquette VORTAC 067° True radial and the 282° True radial of a VOR to be installed approximately June 15, 1960, near Whitefish, Mich., at latitude 46°42'30" N., longitude 85°02'30" W., via the Whitefish VOR to the Sault Ste. Marie VOR. In addition, it is proposed to designate a north alternate to Victor 470 from the Whitefish VOR to the Sault Ste. Marie VOR via the intersection of the Whitefish VOR 084° and the Sault Ste. Marie VOR 328° True radials. The designation of this airway would facilitate air traffic management by providing a VOR airway for the high volume of military and civil traffic operating between the Sault Ste. Marie, Marquette, Houghton and Lakehead terminal areas where no VOR airway presently exists. The designation of a north alternate airway between the Whitefish VOR and the Sault Ste. Marie VOR would facilitate air traffic management by providing a route bypassing the high volume of military traffic in the Sault Ste. Marie, Kincheloe Air Force Base terminal area.

If this action is taken, VOR Federal airway No. 470 and associated control areas would be designated from the intersection of the direct radial between Lakehead, Ont., VOR and the Houghton, Mich., VOR with the United States/Canadian Border via Houghton; Marquette, Mich.; the intersection of the Marquette VORTAC 067° and the Whitefish, Mich., VOR 282° True radials to Whitefish, thence to Sault Ste. Marie, Mich.; including a north alternate between Whitefish and Sault Ste. Marie via the Whitefish VOR 084° and the Sault Ste. Marie VOR 328° True radials.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Division, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within thirty days after publication of this notice in the *FEDERAL REGISTER* will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this

time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Management Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2998; Filed, Apr. 1, 1960;
8:46 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 60-WA-27]

FEDERAL AIRWAYS AND CONTROL AREAS

Modification

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to §§ 600.6045 and 601.6045 of the regulations of the Administrator, the substance of which is stated below.

The west alternate to VOR Federal Airway No. 45 extends from the Greensboro, N.C., VOR, to the Raleigh, N.C., VOR via the intersection of the Greensboro VOR 122° and the Raleigh VOR 246° True radials, and coincides with that segment of VOR Federal airway No. 194, which is predicated on the Raleigh VOR 246° True radial. This segment of Victor 194 is being realigned via the Raleigh VOR 240° True radial effective June 30, 1960 (Airspace Docket No. 59-WA-103). The Federal Aviation Agency has under consideration realignment of Victor 45W, between Greensboro and Raleigh via a VOR to be installed in June of 1960, near Liberty, N.C., at latitude 35°48'18" N., longitude 79°37'21" W., and the intersection of the Liberty VOR 114° and the Raleigh VOR 240° True radials. This would realign Victor 45W to coincide with the realigned segment of Victor 194 and would provide more precise navigational guidance along the airway.

If this action is taken, the west alternate to VOR Federal airway No. 45

would be redesignated from the Greensboro, N.C., VOR to the Raleigh, N.C., VOR via the Liberty, N.C., VOR and the intersection of the Liberty VOR 114° and the Raleigh VOR 240° True radials. Concurrently with this action, § 601.6045, relating to control areas, would be amended to include an east and west alternate to Victor 45.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Field Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Management Field Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2994; Filed, Apr. 1, 1960;
8:46 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 60-WA-63]

FEDERAL AIRWAYS AND CONTROL AREAS

Designation

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Parts 600 and 601 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency has under consideration the designation of a new airway, VOR Federal airway No. 494, from Sacramento, Calif., to Elko, Nev. Victor 494 would extend from the Sacramento VOR via the intersection of the Sacramento VOR 038° True radial and the 249° True radial of a VOR to be

installed approximately October 1, 1960, near Lake Tahoe, Calif., at latitude 39°10'50" N., longitude 120°16'07" W.; Lake Tahoe VOR; intersection of the Lake Tahoe VOR 078° True radial and the 244° True radial of a VOR to be installed approximately May 4, 1960, near Fallon, Nev., at latitude 39°30'58" N., longitude 118°59'47" W.; Fallon VOR; thence via a VOR to be installed approximately June 1, 1960, near Mount Moses, Nev., at latitude 40°11'30" N., longitude 117°24'59" W.; to the Elko, Nev. VOR. The designation of Victor 494 is part of a plan for a dual airway system required to serve the high volume of air traffic operating between the San Francisco/Oakland, Calif., terminal area and the Chicago, Ill., terminal area.

If this action is taken, VOR Federal airway No. 494 and its associated control areas would be designated from Sacramento, Calif., to Elko, Nev., via the intersection of the Sacramento VOR 038° and the Lake Tahoe, Calif., VOR 249° True radials; Lake Tahoe, Calif.; the intersection of the Lake Tahoe VOR 078° and the Fallon, Nev., VOR 244° True radials; Fallon, Nev., Mount Moses, Nev.; to Elko, Nev.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Division, Federal Aviation Agency, 5651 West Manchester Avenue, P.O. Box 90007, Airport Station, Los Angeles 45, Calif. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Management Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2999; Filed, Apr. 1, 1960;
8:46 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 59-WA-371]

CONTROL ZONES**Modification of Proposal**

In a notice of proposed rule making published as Airspace Docket No. 59-WA-371 in the **FEDERAL REGISTER** on March 5, 1960 (25 F.R. 1965), the Federal Aviation Agency proposed to reduce the size of the San Antonio, Tex., control zone (§ 601.2287) by redesignating it within a 5-mile radius of the Randolph Air Force Base, Tex.; within 2 miles either side of the 336° True bearing from the La Vernia, Tex., radio beacon extending from the 5-mile radius zone to the La Vernia radio beacon; within 2 miles either side of the La Vernia VOR 338° True radial extending from the 5-mile radius zone to the La Vernia VOR; and within 2 miles either side of the 329° True bearing from the Randolph radio beacon, extending from the 5-mile radius zone to the Randolph radio beacon. Subsequent to publication of the notice, it has been determined that there is no longer a requirement for a control zone

extension based on the La Vernia radio beacon since the Department of Air Force is cancelling the instrument approach procedures based on the La Vernia radio beacon and is decommissioning the radio beacon. Therefore, notice is hereby given that the original proposal is amended by deleting the proposal to designate an extension within 2 miles either side of the 336° True bearing from the La Vernia radio beacon, from the 5-mile radius zone to the La Vernia radio beacon.

If this action is taken, the San Antonio, Tex., control zone (Randolph AFB) would be redesignated within a 5-mile radius of Randolph Air Force Base (latitude 29°32'09" N., longitude 98°16'57" W.); within 2 miles either side of the La Vernia VOR 338° True radial, extending from the 5-mile radius zone to the La Vernia VOR; and within 2 miles either side of the 329° True bearing from the Randolph radio beacon, extending from the 5-mile radius zone to the Randolph radio beacon.

In order to provide interested persons time to adequately evaluate this pro-

posal, as modified herein, and an opportunity to submit additional written data, views or arguments, the closing date for filing such material shall be extended to April 30, 1960.

In view of the above and pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499) notice is hereby given that the time within which comments will be received for consideration on Airspace Docket No. 59-WA-371 is extended to April 30, 1960. Communications should be submitted in triplicate to the Chief, Air Traffic Management Division, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex.

Sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on March 28, 1960.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-2993; Filed, Apr. 1, 1960; 8:46 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Bureau of Customs

[T.D. 55086]

TUNA FISH

Tariff-Rate Quota

Pursuant to Presidential Proclamation No. 3128 of March 16, 1956 (T.D. 54051), it has been determined that 53,448,330 pounds of tuna may be entered for consumption or withdrawn from warehouse for consumption during the calendar year 1960 at the rate of 12½ per centum ad valorem under paragraph 718(b), Tariff Act of 1930, as modified. Any tuna classifiable under paragraph 718(b) of the tariff act which is entered, or withdrawn, for consumption during the current calendar year in excess of this quota will be dutiable at the full rate of 25 per centum ad valorem.

The above quota is based on the United States pack of canned tuna during the calendar year 1959, as reported by the United States Fish and Wildlife Service.

[SEAL]

RALPH KELLY,
Commissioner of Customs.

[F.R. Doc. 60-3020; Filed, Apr. 1, 1960;
8:49 a.m.]

CIVIL AERONAUTICS BOARD

[Order No. E-15057; Docket 11044]

CALIFORNIA EASTERN AVIATION, INC., AND PRESIDENT AIRLINES, INC.

Joint Application for Approval of Transfer of Certificate

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 30th day of March 1960.

By joint application filed December 18, 1959, amended February 15, 1960 and March 1, 1960, California Eastern Aviation, Inc. (CEA) and President Airlines, Inc. (President) request approval of the transfer of CEA's certificate of public convenience and necessity for supplemental air service to President.¹

President, a newly organized Delaware Corporation, is owned and controlled by Mr. Fred Wilson, president of Insurance Finance Corporation (Insurance), North Hollywood, California. President has contracted to lease two DC-6B aircraft from the Ayer-Lines Leasing Corporation and proposes to operate these aircraft in transatlantic charter work during the months of May through September. During the balance of the year the equipment will be used in military contract work. Maintenance and overhaul will be handled by Lockheed

Aircraft Services, Inc. in New York and Oakland, California. The facilities of 20th Century Aircraft Services, Inc. at Burbank, California, may also be used. Plans are to locate sales offices both in New York and California.

President estimates that it will require \$100,000 in capital to commence operations. Of this amount, \$25,000 will be required as an initial deposit on the two leased aircraft. The company considers that the remaining \$75,000 will be adequate to cover the cost of other fixed assets, pre-operational expenses, and working capital for the two-plane operation.

Insurance, which is wholly owned by Mr. Wilson, will pay \$50,000 for all of President's capital stock. Additionally, it will lend its credit to enable President to borrow \$50,000. A balance sheet and profit and loss statement as of November 30, 1959, were submitted as evidence of Insurance's ability to meet at least President's initial cash requirements. Insurance's balance sheet shows an excess of approximately \$55,000 in current assets as compared to current liabilities; a small long-term debt totaling \$4,741.90; and a positive net worth of \$69,391.51. For the year ending November 30, 1959, Insurance had a net income after taxes of \$69,003.26. Mr. Wilson, the president and founder of Insurance, is president of President. He has been engaged in the insurance and financing business for eight years. Before entering this field, he was associated with his father in the Beverly Hills Building and Loan Association.

President's vice president-operations is Mr. Walter P. Menzies. Mr. Menzies served as a pilot during World War II with the Air Force and was honorably discharged as a major. Between February 1946 and December 1950, Mr. Menzies was Superintendent of Flight Operations, European Division of American Overseas Airlines. Upon acquisition of American Overseas Airlines by Pan American World Airways in December 1950, Mr. Menzies was assigned to establish the Flight Control Center at Frankfurt, Germany, for Pan American's European operation. Between November 1951, and February 1958 Mr. Menzies was Assistant and then Operations Manager, CEA. As assistant, he was responsible for the administration of military contract operations in the Pacific. In 1958, Mr. Menzies became Operations Technical Advisor to the General Manager of Transcontinental, S.A. On completion of this assignment, he resigned from CEA to become the vice president-administration of Aero Enterprises, Inc., a company engaged in intrastate and charter operations.

President's vice president-sales will be Mr. James E. Corbett. Between 1946 and the recent past, Mr. Corbett was associated with Transocean Air Lines,

holding various positions such as regional sales manager, director-airline sales and general sales manager. At present, Mr. Corbett is with United State Overseas Airlines, Inc.

By an agreement entered into on December 17, 1959, CEA will transfer its certificate to President after the Board has, pursuant to section 401(h), approved said transfer. In addition to the transfer, this agreement provides, inter alia, that CEA will act as President's non-exclusive purchasing agent; that CEA will undertake to provide for President, upon request, technical assistance in connection with the following matters: pre-operational program, maintenance and overhaul of aircraft engines, propeller and components and the selection of flight crews; and that, except with respect to the transfer of the certificate, the agreement shall be effective upon execution and shall continue in effect until the end of 1961. The agreement originally provided that unless the Board granted the necessary approval of the proposed transfer within 120 days from the date of the agreement, that is, from December 17, 1959, the contract shall be terminated. However, by letter amendment dated January 22, 1960, President was given the right to extend for 30 days the period within which Board approval must be obtained.

In payment for the transfer of the certificate and other undertakings by CEA, President agreed to pay CEA a retainer fee, certain commissions and to reimburse CEA for the latter's costs. Pursuant to the agreement, CEA's costs are defined to include all out-of-pocket expenditures incurred in connection with the activities provided for by the agreement. In addition, costs included 10 percent of said out-of-pocket expenditures which the contracting parties agreed is necessary to cover CEA's related overhead and indirect expenses.

The aforementioned retainer fee is to be paid as follows:

(1) \$10,000 upon the signing of the agreement;

(2) A total of \$33,000 during 1960; \$5,000 in June, July and August, and \$2,000 for each remaining month during 1960;

(3) A total of \$47,000 during 1961 on the same schedule as in 1960, except that payments for November and December 1961 will be \$9,000 each.

The agreement also provides that President shall pay CEA a commission of 3 percent of the cost of material and equipment purchased for it by CEA when the aggregate cost of any one requisition is less than \$100,000. In the event the aggregate cost of any one requisition exceeds \$100,000, the rates of commission shall be 1 percent.

Petitions for leave to intervene in this proceeding were filed by Pan American

¹ CEA received a certificate for a period of five years by Order E-13436, January 28, 1959.

World Airways, Inc. and Trans World Airlines, Inc.

The Board's statutory duty in cases of this kind is set forth in section 401(h) of the Act.² In view of the foregoing, the Board tentatively finds that the transfer of CEA's certificate to President will be consistent with the public interest. It appears that President will have sufficient funds to enable it to inaugurate its planned operations. Although Mr. Wilson does not appear to have had prior experience in aviation or related industries, President's other key personnel, Messrs. Menzies and Corbett, appear to be experienced in aviation matters. Moreover, President will be the recipient of technical assistance from CEA's trained personnel during the formative years of its operations.

Accordingly, it is ordered:

1. That all interested persons having objections to the issuance of an order making final the tentative findings and conclusions stated herein and approving the transfer to President of CEA's certificate shall file a statement of objections within twenty days of the date of this order. Such objections should conform to the general requirements of the Board's Rules of Practice in Economic Proceedings, and shall indicate the basis for the objection together with a summary of the evidence, if any, which the objector would introduce if offered the opportunity for an evidentiary hearing. If no objections are received within twenty days after the date of this order, or if, in the Board's judgment, such objections as are received do not require reconsideration of its position, the Board will by subsequent order and without further hearing approve the transfer of the certificate;

2. That this order shall be served upon Pan American World Airways, Inc. and Trans World Airlines, Inc.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL]

MABEL McCART,
Acting Secretary.

[F.R. Doc. 60-3022; Filed, Apr. 1, 1960;
8:50 a.m.]

[Order No. E-15050; Docket No. 11247]

CAPITAL AIRLINES, INC.

Tour Basing Fares; Order of Investigation

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 29th day of March 1960.

Capital Airlines, Inc. has filed to become effective March 16, 1960, a tariff containing "New York Summer Festival" excursion fares, conditioned primarily on the passenger's purchasing land accommodations with the purchase of the air travel ticket. First-class round-trip fares at 150 percent of the one-way first-class fare, and coach fares at rates per

mile varying inversely with the distance, are proposed. All proposed fares, rules, and regulations are valid to New York/Newark for the period July 7, 1960, through September 1, 1960, except during the peak travel periods of Friday and Sunday afternoons.¹ Thus, carriage limited to round-trip passengers, to travel other than on Friday afternoon and Sunday afternoon peak periods, and by a requirement that air travel be purchased together with a package tour or other vacation arrangements.

Complaints against the proposed tariff were filed by American Airlines, Inc., and Northwest Airlines, Inc. American alleged that the Capital fares were unjustly discriminatory on the basis of Tour Basing Fares, 14 C.A.B. 257 (1951), and other cases, and also that the proposals were unjust and unreasonable since below the cost of providing the service. Northwest, on the other hand, urged the fares were unjust and unreasonable because they would divert traffic from Capital's competitors, and were discriminatory.

In the Tour Basing Fares case, we had before us for decision the lawfulness of promotional fares which were very similar to the fares now proposed by Capital. In that case the reduced-fare ticket could only be purchased if the passenger was willing to purchase hotel or other land accommodations. We held that the tour basing fares then before us represented an objectionable form of discrimination, in that they embodied the essentials of a tie-in sale. The proposed fares provide a substantial discount from regular fares and may be unreasonable. We find, therefore, that Capital's proposed fares may be unjust, unreasonable, unjustly discriminatory, unduly preferential or unduly prejudicial, and should be investigated. In conjunction with ordering investigation, we will expect the carrier to keep adequate records of traffic, revenue, and costs associated with the promotional fares here in issue.

The decision whether to suspend the effectiveness of the proposed tariff pending investigation is one substantially within the discretion of this Board. In the Tour Basing Fares case, we established no absolute prohibition of a tour basing fare, and we did not intend to prohibit carriers ever from establishing rate differentials for like and contemporaneous service. The Tour Basing case was decided on the record immediately before us at the time; we specifically said:

We do not mean, however, to say that an air carrier may never establish a rate differential for like and contemporaneous service between two points on the basis of business considerations. As we have previously pointed out, the Supreme Court has held, in cases involving surface carriers, that direct intercarrier competition under some circumstances may be a justification for a rate discrimination for like and contemporaneous service between the same points. There may be other ascertainable factors of like import to the welfare of the air carrier or to

air transportation generally which may offer an adequate reason in the public interest for a departure from the public utility concept embraced in the "rule of equality." However, the record in this case would not support any such conclusion.

The proposed fares, which will be effective for less than two months, do not appear prima facie unreasonably low. Furthermore, the present proponent of a differential is a carrier which has experienced substantial and sustained operating losses in the recent past. It alleges difficulty in maintaining a reasonable load factor level during the summer months, and alleges the planned New York Festival will provide it an opportunity to ameliorate its operating situation, at least temporarily. We believe that the carrier should have the opportunity to experiment with these promotional fares for the limited period involved and we have concluded not to suspend the proposed tariff.

We find that our action herein is necessary and appropriate to carry out the provisions and objectives of the Federal Aviation Act of 1958, particularly sections 204(a), 403, 404, and 1002 thereof.

Accordingly, it is ordered, That:

1. An investigation is instituted to determine whether the fares, rules, regulations, and other provisions appearing in the Capital Airlines, Inc. tariff, C.A.B. 40, are, or will be, unjust, unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and if found to be unlawful, to determine and prescribe the lawful fares, rules, regulations, and other provisions.

2. The Complaints in Dockets 11192 and 11193 are consolidated with the proceeding ordered herein, and to the extent not granted herein are dismissed.

3. The proceeding ordered herein be assigned for hearing before an examiner of the Board at a time and place hereafter to be designated.

4. A copy of this order be filed with the aforesaid tariff and a copy served upon Capital Airlines, Inc., American Airlines, Inc., and Northwest Airlines, Inc., which are made parties to this proceeding.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.¹

[SEAL]

MABEL McCART,
Acting Secretary.

[F.R. Doc. 60-3023; Filed, Apr. 1, 1960;
8:50 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 13350; FCC 60M-559]

HOWARD E. SETTLE

Order Continuing Hearing

In the matter of Howard E. Settle, Hayward, California, Docket No. 13350;

¹ Vice Chairman Gurney's statement filed as part of original document.

² Section 401(h) provides: No certificate may be transferred unless such transfer is approved by the Board as being consistent with the public interest.

¹ The Board has not passed on the question of whether March 16, 1960, or July 7, 1960, is the lawful effective date of the tariff.

order to show cause why there should not be revoked the license for radio station WA-6792 aboard the vessel "Loafer".

The Hearing Examiner having under consideration a "Motion to Continue Proceeding" filed on March 21, 1960, by the Chief of the Commission's Safety and Special Radio Services Bureau, requesting that the hearing in the above-entitled proceeding heretofore scheduled for March 31, 1960, in Washington, D.C. be continued without date; and

It appearing that respondent's attorney has informed the Commission by letter dated March 14, 1960, that the illness of the respondent (as shown by a medical statement) will prevent his appearance at the date and place above mentioned; and

It further appearing that, according to information furnished by respondent's doctor, such illness will prevent the respondent from attending any hearing for at least three months from March 14, 1960; and

It further appearing that the public interest requires early consideration of the instant motion and action thereon prior to the expiration of the 7-day waiting period otherwise applicable, and that good cause has been shown for granting the subject request;

Accordingly, it is ordered, This 28th day of March 1960, that the "Motion to Continue Proceeding" is granted, and that the hearing heretofore scheduled herein for March 31, 1960, in Washington, D.C. is continued without date.¹

Released: March 28, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-3032; Filed, Apr. 1, 1960;
8:51 a.m.]

[Docket No. 13180; FCC 60M-563]

RODNEY F. JOHNSON (KWJJ)

Order Continuing Hearing

In re application of Rodney F. Johnson (KWJJ), Portland, Oregon, Docket No. 13180, File No. BP-12056; for construction permit.

The Hearing Examiner having under consideration "Applicant's Petition for Continuance of Hearing" filed March 28, 1960, in the above-entitled matter, and

It appearing that the Petition requests that the dates for exchanging exhibits and further hearing in this proceeding be changed from March 18, 1960, and April 1, 1960, respectively, to April 18, 1960, and May 2, 1960, and

It further appearing that the extra time is needed by the applicant's engineer for the preparation of certain mate-

rial requested by the Broadcast Bureau, and

It further appearing that good cause has been shown and no inconvenience to any person or detriment to the public will result from the further delay, and

It further appearing that the only other interested party, the Broadcast Bureau, consents to the request.

It is ordered, This 29th day of March 1960, that the aforesaid Petition for Continuance is granted except that, instead of on May 2, 1960, as requested, the further hearing will commence at 10:00 a.m., May 4, 1960, in the Commission's offices in Washington, D.C.

Released: March 29, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-3033; Filed, Apr. 1, 1960;
8:51 a.m.]

[Docket Nos. 13445, 13446; FCC 60-277]

LAKE HURON BROADCASTING CORP. AND GERITY BROADCASTING CO.

Order Designating Applications for Consolidated Hearing on Stated Issues

In re application of: Lake Huron Broadcasting Corporation, Alpena, Michigan, Docket No. 13445, File No. BPCT-2661; Gerity Broadcasting Company, Alpena, Michigan, Docket No. 13446, File No. BPCT-2694; for construction permits for new television broadcast stations.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 24th day of March 1960;

The Commission having under consideration the above-captioned applications, each requesting a construction permit for a new television broadcast station to operate on Channel 9, assigned to Alpena, Michigan; and

It appearing that the applications of Lake Huron Broadcasting Corporation and Gerity Broadcasting Company are mutually exclusive in that operation by both applicants, as proposed, would result in mutually destructive interference; and

It further appearing that the above-named applicants have requested waivers of § 3.613(a) of the Commission's rules to locate their main studios outside the city limits of Alpena, and have shown good cause therefor; and

It further appearing that pursuant to section 309(b) of the Communications Act of 1934, as amended, Lake Huron Broadcasting Corporation and Gerity Broadcasting Company, were advised by letters that their applications were mutually exclusive, of the necessity for a hearing, and were advised of all objections to their applications and were given an opportunity to reply; and

It further appearing that the Commission indicated in the above-mentioned letters that it could not, on the basis of the applicants' financial proposals, determine without a hearing that the applicants were financially qualified

to construct and operate their proposed stations; and

It further appearing that Lake Huron Broadcasting Corporation amended its application in response to the above-mentioned letter to show proposed financing for the construction and initial operation of its proposed station in the total amount of approximately \$155,000 by submitting a firm commitment from a stockholder to loan \$200,000 to the applicant, supported by letter from a bank acting as fiscal agent for the stockholder and showing that the stockholder can meet such commitment; and

It further appearing that upon due consideration of the above-captioned applications, the amendments thereto, and the replies to the above letters, the Commission finds that pursuant to section 309(b) of the Communications Act of 1934, as amended, a hearing is necessary; that Lake Huron Broadcasting Corporation is legally, financially, technically and otherwise qualified to construct, own and operate the proposed television broadcast station; that Gerity Broadcasting Company is legally qualified to construct, own and operate the proposed television broadcast station and is technically qualified except with respect to issue "2" below;

It is ordered, That pursuant to section 309(b) of the Communications Act of 1934, as amended, the above-captioned applications of Lake Huron Broadcasting Corporation and Gerity Broadcasting Company are designated for hearing in a consolidated proceeding at a time and place to be specified in a subsequent order, upon the following issues:

(1) To determine whether Gerity Broadcasting Company is financially qualified to construct, own and operate the proposed television broadcast station.

(2) To determine whether the antenna system and site proposed by Gerity Broadcasting Company would constitute a hazard to air navigation.

(3) To determine on a comparative basis which of the operations proposed in the above-captioned applications would better serve the public interest, convenience and necessity in light of the significant differences between the applicants as to:

(a) The background and experience of each bearing on its ability to own and operate the proposed television broadcast station.

(b) The proposals of each with respect to the management and operation of the proposed television broadcast stations.

(c) The programming service proposed in each of the above-captioned applications.

(4) To determine, in the light of the evidence adduced pursuant to the foregoing issues, which of the applications should be granted.

It is further ordered, That the issues in the above-entitled proceeding may be enlarged by the Examiner on his own motion or on petition properly filed by a party to the proceeding and upon a sufficient allegation of facts in support thereof, by the addition of the following issue:

To determine whether the funds available to the applicants will give reason-

¹ The instant order does not change the place of hearing. It may be noted that respondent's attorney stated in his March 14, 1960, letter that " * * * the hearing will of necessity have to be held in San Francisco, California." However, the authority to act upon a "petition" requesting the first change of place of hearing in this proceeding has been conferred upon the Chief Hearing Examiner. (See section 0.224(c)(6) of the Commission's rules.)

able assurance that the proposals set forth in the applications will be effectuated.

It is further ordered, That to avail themselves of the opportunity to be heard, Lake Huron Broadcasting Corporation and Gerity Broadcasting Company, pursuant to § 1.140(c) of the Commission's rules, in person or by attorney, shall within twenty (20) days of the mailing of this order file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

Released: March 29, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-3034; Filed, Apr. 1, 1960;
8:52 a.m.]

[Docket Nos. 13442-13444; FCC 60-265]

WASHINGTON STATE UNIVERSITY AND FIRST PRESBYTERIAN CHURCH OF SEATTLE, WASH.

Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of Washington State University, Pullman, Washington, Docket No. 13442, File No. BR-58; for renewal of license of station KWSC (& Aux.), Has: 1250 kc, 5 kw, U-Day, S-KTW (Night); for modification of license of station KWSC, Docket No. 13443, File No. BML-1789; Has: 1250 kc, 5 kw, U-Day, S-KTW (Night), Request: 1250 kc, 5 kw-U; The First Presbyterian Church of Seattle, Washington, Seattle, Washington, Docket No. 13444, File No. BR-64; for renewal of license of station KTW, Has: 1250 kc, 1 kw-D, 1 kw-N, U-Day, S-KWSC (Night) (CP 5 kw-D, 1 kw-N, S-KWSC (Night)).

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 24th day of March 1960;

The Commission having under consideration the above-captioned renewal applications, for Stations KWSC and KTW, which now operate simultaneously daytime and share-time at night and the application of Washington State University (BML-1789) for modification of license requesting unlimited time operation at the expense of any nighttime operation by Station KTW; and

It appearing that with respect to the proposed nighttime hours of operation, the above-captioned applications are mutually exclusive by reason of a proposal by one of the applicants not to renew a share-time agreement under which the said applicants have shared a common frequency since 1931; and that operation by both stations as proposed may result in destructive interference during nighttime hours; and

It further appearing that pursuant to section 309(b) of the Communications

Act of 1934, as amended, the Commission, in a letter dated September 25, 1957, notified the above applicants of the grounds and reasons for the Commission's inability to make a finding that a grant of either of the renewal applications would serve the public interest, convenience, and necessity; and

It further appearing that neither of the said applicants has presented information which eliminates the grounds and reasons precluding a grant without hearing of the said renewal applications; and that both applicants have stated that they would appear at a hearing on the instant applications; and

It further appearing that both applicants are, under the provisions of § 3.78 of the Commission's rules, operating their nighttime facilities under an extension of the terms of their most recent share-time agreements; and

It further appearing that upon due consideration of the above-captioned applications, the Commission's letter of September 26, 1957, and the reply filed thereto, the Commission is unable to determine at this time that a grant of the said applications would serve the public interest; that a hearing is required; and that no questions exist as to the qualifications of the applicants and no issue remains except as to the matters involved in the issues set forth below;

It is ordered, That, pursuant to section 309(b) of the Communications Act of 1934, as amended, and § 3.78 of the Commission's rules, the instant applications for renewal of licenses and the application for modification of license of Station KWSC are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order upon the following issues:

1. To determine the areas and populations which receive primary service from nighttime operations of Stations KWSC and KTW and the availability of other primary service to such areas and populations.

2. To determine whether the proposed unlimited nighttime operation of Station KWSC would involve objectionable interference with Station KTW and any other existing standard broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby and the other primary service to such area and population.

3. To determine, in light of section 307(b) of the Communications Act of 1934, as amended, whether a fair, efficient and equitable distribution of radio service would be provided to a greater extent by (a) continuing in some manner the share-time operation of Stations KWSC and KTW during nighttime hours, or (b) by permitting Station KWSC to operate unlimited time and limiting the operation of Station KTW to daytime only hours.

4. If sharetime operation is to be continued, to determine what nighttime hours are to be specified for each station.

5. To determine, in light of the evidence adduced with respect to the foregoing issues, the extent to which the above-captioned applications may be

granted, consistent with the public interest, convenience or necessity.

Released: March 30, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-3035; Filed, Apr. 1, 1960;
8:52 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-18338, etc.]

COASTAL TRANSMISSION CORP. ET AL.

Order Consolidating Proceedings Prescribing Procedure and Fixing Date of Hearing

MARCH 31, 1960.

Coastal Transmission Corporation, Docket No. G-18338; Houston Texas Gas and Oil Corporation, Docket No. G-18615; The Ohio Oil Company, Docket No. G-17896; Turnbull & Zoch Drilling Company, Operator, et al., Docket No. G-17960; H. L. Hawkins and H. L. Hawkins, Jr., Operator, et al., Docket No. G-18077; Louis Baker, et al., Docket No. G-18175; J. Ray McDermott & Co. Inc., Operator, et al., Docket No. G-18212; Amerada Petroleum Corporation, Docket No. G-18346; Phillips Petroleum Company, Docket No. G-18375; Tidewater Oil Company, Operator, Docket No. G-18376; Tidewater Oil Company, Docket No. G-18377; Getty Oil Company, Operator, et al., Docket No. G-18378; Helis Petroleum Corporation, Operator, et al., Docket No. G-18379; Socony Mobil Oil Company, Inc., Docket No. G-18384; Socony Mobil Oil Company, Inc., Operator, Docket No. G-18385; Socony Mobil Oil Company, Inc., Docket No. G-18386; Union Oil Company of California, Docket No. G-18389; Great Expectations Oil Corporation, et al., Docket No. G-18396; McCurdy & McCurdy, Docket No. G-18434; The Pure Oil Company, Operator, et al., Docket No. G-18438; Shell Oil Company, Docket No. G-18439; The British-American Oil Producing Company, Docket No. G-18445; Herman Brown, et al., Docket No. G-18479; John A. Newman, Operator, et al., Docket No. G-18481; M. W. Crockett, et al., Docket No. G-18522; Investors Syndicate of the Southwest, Inc., Docket No. G-18590; Layton Brown Drilling Company, Inc., E. Layton Brown, Operator, Docket No. G-18674; G. H. Vaughn, Jr., et al., Docket No. G-18678; George K. Taggart, Jr., Operator, Docket No. G-18796; Shell Oil Company, Docket No. G-18805; Calvary Properties, Inc., Docket No. G-18857; V. F. Neuhaus, Docket No. G-18861; Richard King, Jr., Docket No. G-18987; Clark Fuel Producing Company, Operator, et al., Docket No. G-19052; The Superior Oil Company, Docket No. G-19129; The Pure Oil Company, Docket No. G-19140; Irwin and Bess, Docket No. G-19297; Gregory J. Gallagher, Docket No. G-19308; Trice Production Company, Docket No. G-19340; W. W. F.

Oil Corporation, Operator, et al., Docket No. G-19585; Tidewater Oil Company, Docket No. G-19971; Texaco Seaboard, Inc., Docket No. G-18887; Exeter Oil Company, Docket No. G-19064; Delhi-Taylor Oil Corporation, Docket No. G-19464; Phillips Petroleum Company, Docket No. G-19498; George Parker, Docket No. G-19718; Sunray Mid-Continent Oil Company, Docket No. G-19803; The Sparta Oil Company, Docket No. G-19964; Skelly Oil Company, Docket No. G-20155; Amerada Petroleum Corporation, Docket No. G-20200; Continental Oil Company, Docket No. G-20242; The Superior Oil Company, Docket No. G-20359; Texaco Seaboard Inc., Docket No. G-20460; Diversa, Inc., Docket No. G-20458; Gregory J. Gallagher, Docket No. G-20385; The Atlantic Refining Company, Docket No. G-20492.

Notice of the first forty-one applications listed in the caption of this order was issued on December 11, 1959, and published in the FEDERAL REGISTER on December 18, 1959 (24 F.R. 246). In addition thereto, the following fifteen applicants produce and propose to sell natural gas to Coastal Transmission Corporation (Coastal) for transportation in interstate commerce for resale as indicated below:

Docket No.; Applicant; Location of Field County or Parish, and State; and Base Price per Mcf

G-18887; Texaco Seaboard Inc.; East Mustang Island, Nueces County, Tex.; 16.5 cents.
 G-19064; Exeter Oil Co., Ltd.; South Driscoll, Nueces County, Tex.; 16.5 cents.
 G-19464; Delhi-Taylor Oil Corp.; Yzaquirre, Starr County, Tex.; 16.0 cents.
 G-19498; Phillips Petroleum; East Corpus Christi Bay, Nueces County, Tex.; 16.5 cents.
 G-19718; George Parker; S. W. Helen Gohlke, Victoria County, Tex.; 17.0 cents.
 G-19803; Sunray Mid-Continent Oil Co.; Traylor Island, Nueces County, Tex.; 16.5 cents.
 G-19964; The Sparta Oil Co.; League City West, Galveston, Tex.; 18.0 cents.
 G-20155; Skelly Oil Co.; Pheasant, Matagorda County, Tex.; 17.5 cents.
 G-20200; Amerada Petroleum Corp.; Port Allen, West Baton Rouge, La.; 19.75 cents.¹
 G-20242; Continental Oil Co.; Thompson Bluff, Jefferson Davis Parish, La.; 22.175 cents.²
 G-20359; The Superior Oil Co.; Pheasant, Matagorda County, Tex.; 17.5 cents.
 G-20460; Texaco Seaboard Inc.; Traylor Island, Nueces County, Tex.; 16.5 cents.
 G-20458; Diversa, Inc.; Half Moon Reef, Aransas County, Tex.; 16.5 cents.
 G-20385; Gregory J. Gallagher; Palacios, Matagorda County, Tex.; 17.5 cents.
 G-20492; the Atlantic Refining Co.; Fulton Beach, Aransas, Tex.; 17.0 cents.

The fifteen additional applications listed in the caption of this order should be heard on a consolidated record with the forty-one applications previously noticed.

Persons who have filed petitions or notices to intervene pursuant to the notice previously issued on December 11, 1959 (24 F.R. 246), need not file new petitions or notices to intervene in the proceed-

ings upon the fifteen additional applications consolidated with the proceedings earlier noticed. Such petitions or notices filed heretofore will be considered to have been filed in all dockets involved in these consolidated proceedings.

These consolidated proceedings now involve fifty-six applicants. It is therefore desirable that the hearing upon the applications be conducted in two phases so as to avoid an unwieldy and burdensome proceeding. To this end, the "first phase" will cover all questions, except those related to gas supply, arising in connection with the applications of Coastal, Docket No. G-18338 and Houston Texas Gas and Oil Corporation (Houston), Docket No. G-18615. Upon the termination of the entire first phase, further hearings shall be confined wholly to the "second phase".

The second phase will cover questions pertaining to the gas supply in support of the aforementioned applications of Coastal and Houston, and also any matters related to the remaining dockets, all of which are applications filed by independent producers.

Although the hearing will be conducted in two phases, it is anticipated that the Presiding Examiner will submit only one recommended initial decision for our consideration.

This order shall constitute notice of the filing of the aforementioned fifteen additional independent producer applications.

The Commission finds: The forty-one applications noticed on December 11, 1959, and the fifteen applications noticed herein are related matters and should be heard on a consolidated record. Further, it is appropriate in carrying out the provisions of the Natural Gas Act and in the public interest that the procedure hereinabove prescribed should be followed so that the hearing may be conducted with reasonable dispatch and it shall commence as ordered hereinbelow.

The Commission orders:

(A) The above-entitled proceedings are hereby consolidated for the purpose of hearing.

(B) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held commencing on April 18, 1960, at 10:00 a.m., e.s.t., in a hearing room of the Federal Power Commission, 441 G Street, NW., Washington, D.C., concerning the matters involved in the issues presented by such applications.

(C) The hearing of such applications shall be conducted in two phases as more fully described hereinabove.

(D) Protests or petitions to intervene in Docket Nos. G-18887, G-19064, G-19464, G-19498, G-19718, G-19803, G-19964, G-20155, G-20200, G-20242, G-20359, G-20385, G-20458, G-20460, and G-20492, that is to say, petitions by persons other than those who have already filed such petitions in these consolidated proceedings; may be filed with the Federal Power Commission, Washington, D.C., in accordance with the

rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 18, 1960.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-3076; Filed, Apr. 1, 1960; 8:51 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3866]

METROPOLITAN EDISON CO. AND GENERAL PUBLIC UTILITIES CORP.

Notice of Proposed Issuance and Sale of Common Stock by Subsidiary and Acquisition Thereof by Holding Company; Issuance and Sale of Bonds at Competitive Bidding by Subsidiary; and Issuance and Sale of Short-Term Notes to Banks by Holding Company

MARCH 25, 1960.

Notice is hereby given that General Public Utilities Corporation ("GPU"), a registered holding company, and its public-utility subsidiary, Metropolitan Edison Company ("MetEd"), have filed a joint application-declaration and amendments thereto with the Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(a), 6(b), 7, 9(a), and 10 of the Act, and Rule 50 promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to said amended joint application-declaration on file in the offices of the Commission for a statement of the proposed transactions which are summarized as follows:

GPU proposes to issue unsecured notes to three banks, from time to time but not later than August 31, 1960, in an aggregate amount of not more than \$8,000,000. Each such note will mature ten months from the date of borrowing, bear interest at the prime commercial rate in New York City at the date of issue and be prepayable without premium. It is anticipated that the notes will be paid in the latter half of 1960 out of dividends received from subsidiaries. Although no commitments or agreements for such borrowings have been made, GPU expects that such borrowings will be made from the following banks in the following maximum amounts: The Hanover Bank, \$3,000,000; The Marine Midland Trust Company of New York, \$3,000,000; and Manufacturers Trust Company, \$2,000,000.

MetEd proposes to issue and sell, and GPU proposes to acquire, 30,000 additional shares of MetEd's authorized but unissued no par common stock at a price per share of \$100 or a total price of \$3,000,000.

MetEd also proposes to issue and sell \$15,000,000 principal amount of its first mortgage bonds, -- percent Series, pursuant to the competitive bidding requirements of Rule 50, to be dated May 1,

¹ Includes State of Louisiana severance tax reimbursement of 1.75 cents per Mcf.

² Includes State of Louisiana severance tax reimbursement of 2.175 cents per Mcf.

1960, and to mature May 1, 1990. The new bonds are to be issued under an Indenture dated November 1, 1944, between Meted and the Guaranty Trust Company of New York (now Morgan Guaranty Trust Company of New York), as Trustee, as heretofore supplemented and amended, and as to be further supplemented and amended by a supplemental indenture to be dated May 1, 1960. The interest rate on the new bonds (which will be a multiple of $\frac{1}{8}$ of 1 percent and the price, exclusive of accrued interest, to be paid to Meted (which will not be less than 100 percent nor more than 102 $\frac{3}{4}$ percent of the principal amount thereof) will be determined by the competitive bidding.

Meted will apply \$12,500,000 of the proceeds from the sale of the new bonds to pay at maturity (May 11, 1960) certain notes issued by Meted in 1958, and will use \$2,500,000 together with the \$3,000,000 from the sale of the 30,000 additional shares of Meted common stock to finance, in part, its 1960 construction program, estimated to cost \$19,000,000. The balance of the proceeds, if any, from the sale of the new bonds will be added to treasury funds of Meted and used for its general corporate purposes.

It is estimated that GPU's expenses in connection with its bank borrowings and its acquisition of Meted common stock will be approximately \$1,000. Meted's expenses in connection with the proposed issuance of its common stock are estimated at \$10,250 including the Federal issue tax of \$3,000; Pennsylvania capital stock excise tax of \$6,000; and legal fees of \$1,000 to Ryan & Russell. Meted's expenses in connection with the issuance of the new bonds are estimated at \$80,000 including the Federal issue tax of \$16,500; printing expenses of \$30,000; legal fees of \$16,000 (Ryan & Russell, \$9,500; Berlack, Israels & Liberman, \$6,500); accounting fees of \$4,500; and trustees' fees of \$6,600. The fees and expenses of Winthrop, Stimson, Putnam & Roberts, counsel for the purchasers, which are to be supplied by amendment, will be paid by the successful bidders.

It is further stated that the Pennsylvania Public Utility Commission has jurisdiction over the issuance and sale by Meted of the additional common stock and new bonds, but that no other State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transactions. Orders of the Pennsylvania Public Utility Commission authorizing the issuance and sale of the common stock and bonds will be supplied by amendment.

Notice is further given that any interested person may, not later than April 11, 1960, at 5:30 p.m., request the Commission in writing that a hearing be held on such matters, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said filing which he desires to controvert, or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C.

At any time after said date, the joint application-declaration, as amended or as it may be further amended, may be granted and permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 60-3006; Filed, Apr. 1, 1960;
8:47 a.m.]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Area 260]

FLORIDA

Declaration of Disaster Area

Whereas, it has been reported that during the month of March 1960, because of the effects of certain disasters, damage resulted to residences and business property located in certain areas in the State of Florida;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act.

Now, therefore, as Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b) of the Small Business Act may be received and considered by the Offices below indicated from persons or firms whose property situated in the following Counties (including any areas adjacent to said Counties) suffered damage or destruction as a result of the catastrophe hereinafter referred to:

Counties: Hernando, Hillsborough, Orange, Osceola, Pasco, Pinellas, and Polk (rain and flood occurring on or about March 16, 17, 18, 19, and 20, 1960).

Offices: Small Business Administration Regional Office, 90 Fairlie Street NW., Atlanta 3, Ga. Small Business Administration Branch Office, Huntington Building, Room 301, 168 Southeast First Street, Miami 32, Fla.

2. No special field offices will be established at this time.

3. Applications for disaster loans under the authority of this declaration will not be accepted subsequent to September 30, 1960.

Dated: March 22, 1960.

PHILIP McCALLUM,
Administrator.

[F.R. Doc. 60-3007; Filed, Apr. 1, 1960;
8:48 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Order 663]

ASSIGNMENT, TRANSFER AND DISPOSAL OF REAL PROPERTY AND RELATED PERSONAL PROPERTY

Delegation of Authority

MARCH 28, 1960.

SECTION 1. *Delegation of authority.* Pursuant to the authority contained in section 4 of Order No. 2830 of September 8, 1958, of the Secretary of the Interior, the Assistant Director for Operations, the Area Administrators, and the Chief, Branch of Administrative Services may exercise the authority granted to me by section 2 of the aforesaid order with respect to the assignment, transfer and disposition of real property and related personal property.

SEC. 2. *Exercise of authority.* The authority granted by this order shall be exercised in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C., sec. 471 et seq.), the regulations of the General Services Administration, and the regulations of the Department of the Interior.

SEC. 3. *Redelegation.* The Area Administrators may in writing redelegate to any qualified employees of their areas the authority granted by this order. Each redelegation shall be published in the FEDERAL REGISTER.

SEC. 4. *Revocation.* Bureau Order No. 614 of June 12, 1956, is hereby revoked.

EDWARD WOOZLEY,
Director.

[F.R. Doc. 60-3002; Filed, Apr. 1, 1960;
8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

SALEM LIVESTOCK AUCTION ET AL.

Proposed Posting of Stockyards

The Chief of the Packers and Stockyards Branch, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, has information that the livestock markets named below are stockyards as defined in section 302 of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 202), and should be made subject to the provisions of the act.

Salem Livestock Auction, Salem, Ark.
A and M Sales Yard, Tulare, Calif.
Bar "S" Ranch Auction, Fillmore, Calif.
Canton Livestock, Inc., Canton, Ill.
Carroll Livestock Sales Company, Inc., Carroll, Iowa.
Olive Hill Livestock Co., Olive Hill, Ky.
Farmers Auction Market, Motley, Minn.
Lewiston Sales Barn, Lewiston, Minn.
Alton Sale Co., Alton, Mo.
The Dalles Livestock Commission, Inc., The Dalles, Oreg.

Old Tattersall, Inc., Oxford, Pa.
 Jno. C. Taylor Stockyards, Anderson, S.C.
 Lake City Auction Company, Lake City, S.C.
 Pageland Livestock Barn, Pageland, S.C.
 York County Stockyard, Inc., York, S.C.
 Hebbroville Auction & Commission Co., Hebbroville, Tex.
 Tri-County Livestock Commission Co., Rochester, Wash.
 Fennimore Livestock Exchange, Fennimore, Wis.
 Monticello Livestock Sales, Monticello, Wis.
 Nolan Livestock Auction, Inc., Marion, Wis.

Notice is hereby given, therefore, that the said Chief, pursuant to authority delegated under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), proposes to issue a rule designating the stockyards named above as posted stockyards subject to the provisions of the act, as provided in section 302 thereof.

Any person who wishes to submit written data, views, or arguments concerning the proposed rule may do so by filing them with the Chief, Packers and Stockyards Branch, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C., within 15 days after publication hereof in the FEDERAL REGISTER.

Done in Washington, D.C., this 28th day of March 1960.

DONALD L. BOWMAN,
*Chief, Packers and Stockyards
 Branch, Livestock Division, Ag-
 ricultural Marketing Service.*

[F.R. Doc. 60-3012; Filed, Apr. 1, 1960;
 8:48 a.m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

WATERMAN STEAMSHIP CORPORATION OF PUERTO RICO ET AL.

Notice of Agreements Filed for Approval

Notice is hereby given that the following described agreements have been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733, 46 U.S.C. 815):

(1) Agreement No. 8078-2, between Waterman Steamship Corporation of Puerto Rico and The Northern Pan America Line A/S (Nopal Line), modifies approved Agreement No. 8078, as amended, which covers a through billing arrangement in the trade from Argentina, Brazil, and Uruguay to Puerto Rico, with transshipment at New Orleans or Mobile. The purpose of the modification is to provide (1) that the through rates and transshipment expenses shall be apportioned 60 percent to Nopal Line and 40 percent to Waterman, and (2) for a net minimum proportion of the through rates to Waterman of \$18.006 per ton. The agreement presently provides that the through rates and transshipment expenses shall be apportioned on the basis of 50 percent to each party, and for a net minimum through rate of \$14.00 per ton.

No. 65—5

(2) Agreement No. 8173-2, between Alaska Steamship Company, Consolidated Freightways, Inc., and Consolidated Freightways Corporation of Delaware, modifies approved Agreement No. 8173, as amended, between Alaska Steamship Company and Consolidated Freightways, Inc., covering an arrangement for the transportation of cargo in trailer and refrigerated vans between Seattle, Washington, and inland points in Alaska, via Seward or Valdez, Alaska. The purpose of the modification is to substitute Consolidated Freightways Corporation of Delaware in place of Consolidated Freightways, Inc., as a party to the agreement.

Interested parties may inspect these agreements and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D.C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to either of the agreements and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 30, 1960.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 60-3016; Filed, Apr. 1, 1960;
 8:49 a.m.]

Office of the Secretary

HAROLD J. VORZIMER

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of during the last six months.

- A. Deletions: None.
- B. Additions: Long Mile Rubber Company.

This statement is made as of March 12, 1960.

HAROLD J. VORZIMER.

MARCH 14, 1960.

[F.R. Doc. 60-3026; Filed, Apr. 1, 1960;
 8:51 a.m.]

CLARENCE BLUMOEHR

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months.

- A. Deletions: No change.
- B. Additions: No change.

This statement is made as of March 22, 1960.

CLARENCE BLUMOEHR.

MARCH 22, 1960.

[F.R. Doc. 60-3027; Filed, Apr. 1, 1960;
 8:51 a.m.]

CURT L. OHEIM

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months.

- A. Deletions: No change.
- B. Additions: No change.

This statement is made as of March 19, 1960.

CURT L. OHEIM,

MARCH 21, 1960.

[F.R. Doc. 60-3028; Filed, Apr. 1, 1960;
 8:51 a.m.]

GEORGE E. HARDING

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months.

- A. Deletions: None.
- B. Additions: None.

This statement is made as of March 19, 1960.

GEORGE E. HARDING.

MARCH 21, 1960.

[F.R. Doc. 60-3029; Filed, Apr. 1, 1960;
 8:51 a.m.]

AL SERAFIN MINETTI

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months.

- A. Deletions: Harron Rickard & McCone Company of Northern California.
- B. Additions: Minetti Machinery Company.

This statement is made as of March 16, 1960.

AL SERAFIN MINETTI.

MARCH 16, 1960.

[F.R. Doc. 60-3030; Filed, Apr. 1, 1960;
 8:51 a.m.]

HAROLD A. MONTAG**Statement of Changes in Financial Interests**

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months.

A. Deletions: Virginia Railway Company, Stanley Warner Company, Gimbel Brothers.
B. Additions: M. S. Air Conditioning Co., Norfolk and Western R.R. Co.

This statement is made as of March 11, 1960.

HAROLD A. MONTAG.

MARCH 15, 1960.

[F.R. Doc. 60-3031; Filed, Apr. 1, 1960; 8:51 a.m.]

DEPARTMENT OF LABOR**Wage and Hour Division****LEARNER EMPLOYMENT CERTIFICATES****Issuance to Various Industries**

MARCH 29, 1960.

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended, 29 U.S.C. 201 et seq.), the regulations on employment of learners (29 CFR Part 522), and Administrative Order No. 524 (24 F.R. 9274), the firms listed in this notice have been issued special certificates authorizing the employment of learners at hourly wage rates lower than the minimum wage rates otherwise applicable under section 6 of the Act. The effective and expiration dates, occupations, wage rates, number or proportion of learners, learning periods, and the principal product manufactured by the employer for certificates issued under general learner regulations (§§ 522.1 to 522.11) are as indicated below. Conditions provided in certificates issued under special industry regulations are as established in these regulations.

Apparel Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.20 to 522.24, as amended).

The following learner certificates were issued authorizing the employment of 10 percent of the total number of factory production workers for normal labor turnover purposes. The effective and expiration dates are indicated.

B.C.J. Corporation, 5 John Street, Carbondale, Pa.; effective 3-13-69 to 3-12-61 (children's dresses).

Beacon Garment Co., Inc., 192 Anawan Street, Fall River, Mass.; effective 3-10-60 to 3-9-61 (cotton dresses).

Belton Shirt Co., Inc., Belton, S.C.; effective 3-13-60 to 3-12-61 (men's sport shirts).

Bishopville Manufacturing Co., Inc., Gregg Street, Bishopville, S.C.; effective 3-9-60 to 3-8-61 (women's wash dresses).

Elder Manufacturing Co., Carl Junction, Mo.; effective 3-12-60 to 3-11-61 (boys' and juvenile shirts and pajamas).

Elder Manufacturing Co., Webb City, Mo.; effective 3-12-60 to 3-11-61 (boys' and juvenile shirts).

H. D. Lee Co., Inc., 117 West 20th Street, Kansas City, Mo.; effective 3-7-60 to 3-6-61 (overalls, work pants, jackets).

Northampton Dress Co., 1059 Main Street, Northampton, Pa.; effective 3-8-60 to 3-7-61 (ladies' cotton and rayon dresses).

Oberman Manufacturing Co., Arkadelphia, Ark.; effective 3-10-60 to 3-9-61 (men's and boys' single pants).

Oberman Manufacturing Co., Fayetteville, Ark.; effective 3-10-60 to 3-9-61 (shirts, jackets and pants).

Oberman Manufacturing Co., Harrison, Ark.; effective 3-10-60 to 3-9-61 (men's and boys' single pants).

Oberman Manufacturing Co., Industrial Ave., Jefferson City, Mo.; effective 3-23-60 to 3-22-61 (men's and boys' pants).

Ottenhelmer Brothers Manufacturing Co., Inc., Victory at Second Streets, Little Rock, Ark.; effective 3-14-60 to 3-13-61 (women's and misses' cotton washable dresses, uniforms, smocks and rayon dresses).

Ottenhelmer Brothers Manufacturing Co., Inc., Shirt Division, 1000 Spring Street, Little Rock, Ark.; effective 3-14-60 to 3-13-61 (women's, misses' and children's cotton washable blouses and jackets).

Philip Rothenberg and Co., Inc., McAlisterville, Pa.; effective 3-10-60 to 3-9-61 (men's sport shirts).

Relliance Manufacturing Co., Factory No. 47, Farmington, Mo.; effective 3-15-60 to 3-14-61 (ladies' sportswear).

J. H. Rutter-Rex Manufacturing Co., Inc., Columbia, Miss.; effective 3-23-60 to 3-22-61 (cotton work shirts).

The following learner certificates were issued for normal labor turnover purposes. The effective and expiration dates and the number of learners authorized are indicated.

C & M Sportswear Manufacturing Corp., Meshoppen, Pa.; effective 3-14-60 to 3-13-61; five learners to be trained in the production of men's sportswear coats and jackets only.
Dee-Mure Brassiere Co., Inc., Hamlin, W. Va.; effective 3-11-60 to 3-10-61; 10 learners (women's apparel).

Morelle Manufacturing Co., 4916 Main Street, Ashtabula, Ohio; effective 3-11-60 to 3-10-61; 10 learners (ladies' dresses).

Mortensen Apron Co., St. Anthony, Idaho; effective 3-10-60 to 3-9-61; three learners. Learners may not be employed at special minimum wage rates in the production of separate skirts (ladies' cobbler and waist aprons).

Savada Brothers, Inc., Northeast Boulevard, Landisville, N.J.; effective 3-10-60 to 3-9-61; 10 learners (boys' sport shirts).

Savada Brothers, Inc., Wheat Road, Vineland, N.J.; effective 3-10-60 to 3-9-61; 10 learners (boys' sport shirts).

Sharlan Co., Inc., Fountain Inn, S.C.; effective 3-10-60 to 3-9-61; 10 learners (boys' and men's knit shirts).

Washco Manufacturing Co., Millry, Ala.; effective 3-8-60 to 3-7-61; 10 learners (boys' sport and dress shirts, men's and boys' pajamas).

The following learner certificates were issued for plant expansion purposes. The effective and expiration dates and the number of learners authorized are indicated.

Bishopville Manufacturing Co., Inc., Gregg Street, Bishopville, S.C.; effective 3-9-60 to 9-8-60; 35 learners (women's wash dresses).

Hartselle Manufacturing Co., Inc., Hartselle, Ala.; effective 3-14-60 to 9-13-60; 50 learners (men's cotton work pants).

Kayler Manufacturing Inc., 822 Anderson Street, New Kensington, Pa.; effective 3-17-60

to 9-16-60; 20 learners (women's and misses' blouses).

Kentucky Pants Co., 117 North Race Street, and at West Main Street, Glasgow, Ky.; effective 3-14-60 to 9-13-60; 150 learners (work pants).

North Country Manufacturing Co., Inc., Tupper Lake, N.Y.; effective 3-10-60 to 9-9-60; 50 learners (women's dresses).

Page Manufacturing Co., Inc., 508 West Main Street, Lexington, Ky.; effective 3-12-60 to 9-11-60; 20 learners (ladies' cotton dresses).

Sturgis Clothing Co., Sixth and Main Streets, Sturgis, Ky.; effective 3-9-60 to 9-8-60; 10 learners (men's single pants, men's topcoat interlinings).

Cigar Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.80 to 522.85).

La Primadora Cigar Corp., East Avenue, at Turner Street, Clearwater, Fla.; effective 3-11-60 to 3-10-61; 10 percent of the total number of factory production workers for normal labor turnover purposes (machine made cigars).

Glove Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.60 to 522.66, as amended).

The Eagle Glove and Garment Co., 215 North Franklin Street, Muncie, Ind.; effective 3-10-60 to 3-9-61; five learners for normal labor turnover purposes (work gloves and flannel combinations).

Marso & Rodenborn Manufacturing Co., Fort Dodge, Iowa; effective 3-14-60 to 3-13-61; 10 learners for normal labor turnover purposes (canton flannel work gloves and mittens).

Hosiery Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.40 to 522.44, as amended).

Archer Mills, Inc., 1118 Talbotton Avenue, Columbus, Ga.; effective 3-12-60 to 3-11-61; 5 percent of the total number of factory production workers for normal labor turnover purposes (full-fashioned).

Locust Hosiery Mills, Inc., Mount Pleasant, N.C.; effective 3-12-60 to 3-11-61; 5 percent of the total number of factory production workers for normal labor turnover purposes (seamless).

Locust Hosiery Mills, Inc., Mount Pleasant, N.C.; effective 3-12-60 to 9-11-61; 20 learners for plant expansion purposes (seamless).

Whitmire Hosiery Mills, Inc., Chester Highway, Whitmire, S.C.; effective 3-16-60 to 3-15-61; five learners for normal labor turnover purposes (seamless).

Knitted Wear Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.30 to 522.35, as amended).

Cheribelle Corp., Tucson, Ariz.; effective 3-10-60 to 9-9-60; 100 learners for plant expansion purposes (ladies' undergarments).

Crown Crafters, Inc., 210 Maple Street, Second Floor, Reading, Pa.; effective 3-14-60 to 3-13-61; five learners for normal labor turnover purposes (men's and boys' knit crew polo and placket shirts).

Each learner certificate has been issued upon the representations of the employer which, among other things, were that employment of learners at subminimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. The certificates may be annulled or withdrawn, as indicated therein, in the manner provided in Part 528 of Title 29 of the Code of Federal

Regulations. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of 29 CFR 522.9.

Signed at Washington, D.C., this 17th day of March 1960.

ROBERT G. GRONEWALD,
Authorized Representative
of the Administrator.

[F.R. Doc. 60-3005; Filed, Apr. 1, 1960;
8:47 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-163]

GENERAL DYNAMICS CORP.

Notice of Application for Construction Permit and Utilization Facility License

Please take notice that General Dynamics Corporation, 445 Park Avenue, New York, New York, under section 104.c of the Atomic Energy Act of 1954, as amended, has submitted an application for license authorizing construction and operation of a TRIGA-type nuclear reactor designated by the applicant as the FLAIR at its site located at Torrey Pines Mesa, San Diego, California. A copy of the application is available for public inspection in the AEC's Public Document Room, 1717 H Street NW., Washington, D.C.

Dated at Germantown, Md., this 28th day of March 1960.

For the Atomic Energy Commission.

R. L. KIRK,
Deputy Director, Division of
Licensing and Regulation.

[F.R. Doc. 60-2985; Filed, Apr. 1, 1960;
8:45 a.m.]

URANIUM HEXAFLUORIDE

Base Charges, Special Charges, Specifications and Packaging

General. 1. This notice sets forth U.S. Atomic Energy Commission (AEC) specifications, charges, cylinder characteristics, cylinder loadings and other information with respect to:

(a) The special nuclear material uranium enriched in the isotope U-235 (enriched uranium), and

(b) The source material uranium depleted in the isotope U-235 (depleted uranium)

as uranium hexafluoride (UF₆). This notice does not apply to uranium-233. The data contained in this notice pertain to domestic and foreign arrangements for lease, and foreign arrangements for sale of enriched UF₆, and to domestic and foreign arrangements for sale of depleted UF₆, entered into by AEC pursuant to the Atomic Energy Act of 1954, as amended. All previous information or schedules published by the AEC concerning the subject matter of

this notice, including the notice published in the FEDERAL REGISTER on June 28, 1958 (23 F.R. 4813), are superseded to the extent that they are inconsistent with this notice. Nothing in this notice shall be deemed to modify or affect any regulation of the AEC, or to relieve any AEC licensee from his obligations to comply with such regulations, including those contained in 10 CFR Parts 70 and 71. Although the base charges and other data published in this notice are subject to adjustment, the AEC intends to maintain them as stable as possible.

Base charges. 2. The base charges for enriched uranium in the form of UF₆ of various U-235 assays are those given in Table 1 of this notice. The base charges for depleted uranium in the form of UF₆ are given in Table 2.

Specifications for UF₆ furnished by AEC. 3. Specifications for enriched uranium furnished by AEC as UF₆ are set forth in Table 3. The specifications in this Table also are applicable to depleted uranium furnished as UF₆.

Specifications for return to AEC of special nuclear material as UF₆. 4. Specifications for return of enriched uranium as UF₆ to AEC are set forth in Table 4.

Special charges. 5. For the special charges set forth in Table 6, the AEC will certify that material furnished as UF₆ meets any or all of the properties set forth in Table 4 and/or that the assay of the material has been determined within the special isotopic variation and precision limits set forth in Table 5. The AEC has no obligations in connection with such a certification except as set forth in its written agreements with the person to whom the material is distributed.

6. When UF₆ is furnished at specifications other than those referred to in this Notice, a special service charge for meeting such specifications is added.

Packaging. 7. The characteristics of AEC-furnished cylinders are summarized in Table 7. A further description of the 10-ton, 2.5-ton, MD and 5-inch cylinders and their valves may be found in AEC report K-1323, "A Brief Guide to UF₆ Handling", by Arendt, J. W.; Powell, E. W.; and Saylor, N. W., available at a charge of 25 cents from:

Office of Technical Services, U.S. Department of Commerce, Washington 25, D.C.

Information on detailed engineering drawings of the other cylinder types may be obtained from:

United States Atomic Energy Commission, Technical Information Service Extension, Post Office Box E, Oak Ridge, Tenn.

8. The minimum-loading data set forth in Table 7 are the established minimum loadings for return of enriched uranium as UF₆ to AEC, whether returned in AEC or non-AEC-owned cylinders of the types described therein.

9. The cost of withdrawing and packaging UF₆ in standard combinations of cylinders is included as part of the base charges for UF₆, set forth in Tables 1 and 2. Standard combinations of AEC-furnished cylinders for all amounts of UF₆ are shown in Table 8, when AEC loading practice does not limit the use

or capacity of any cylinder type. These standard combinations have been selected to yield the minimum cost of withdrawing and packaging any given quantity of UF₆. When AEC loading practice limits the use or capacity of any cylinder type, as set forth in Table 9, standard combinations of AEC-furnished cylinders are the minimum cost combinations to withdraw and package any given quantity of UF₆ in the allowable cylinder types and capacities. The standard combinations of AEC-furnished cylinders set forth in Tables 8 and 9 are established solely for the purpose of computing charges for withdrawal and packaging; unless specified by the distributee and agreed to by AEC, AEC packages UF₆ in any combination of cylinders which it sees fit to use.

10. A special charge is added for withdrawing and packaging UF₆ in non-standard combinations. This charge is determined by the cost of withdrawal and packaging in the requested cylinder combination less the cost of withdrawal and packaging in the standard combination of cylinders.

11. The following examples are intended to clarify the charges for special-request cylinders.

Example 1. The order specifies 600 pounds of UF₆ enriched to 0.72 weight percent of U-235 and packaged in 5-inch cylinders.

Minimum-cost combination: Two MD cylinders.

AEC absorbed cost: \$260.

Number of 5-inch cylinders: Eleven.

Cost of withdrawing and packaging in eleven 5-inch cylinders: \$1,265.

AEC special-packaging charge: \$1,265 - \$260 = \$1,005.

Example 2. The order specifies 2,000 pounds of UF₆ enriched to 1.25 weight percent U-235 and packaged in MD cylinders.

Maximum quantity for 2.5-ton cylinder: 1,800 pounds.

Minimum cost combination: One 2.5-ton cylinder and one MD cylinder.

AEC absorbed cost: \$480.

Number of MD cylinders: five.

Cost of withdrawing and packaging in five MD cylinders: \$650.

AEC special-packaging charge: \$650 - \$480 = \$170.

Cylinder rental charges. 12. The rental charge, where applicable, for AEC UF₆ cylinders is \$4.00 for each 10-ton cylinder and \$2.50 for each other cylinder type for each week or fraction thereof. Normally, a thirty-day rent-free period is allowed, computed from the date of delivery to the recipient.

Use charge for special nuclear material. 13. The use-charge rate for special nuclear material leased by AEC is four percent (4%) per annum of the base charge.

Correspondence. 14. Any correspondence involving this notice should be addressed to:

United States Atomic Energy Commission, Oak Ridge Operations Office, P.O. Box E, Oak Ridge, Tenn.

Dated at Germantown, Md., this 25th day of March 1960.

For the Atomic Energy Commission.

R. E. HOLLINGSWORTH,
Acting General Manager.

TABLE 1—Base charges for enriched uranium, as UF₆

Assay (weight fraction U-235)	Base charge (\$ per Kg U)	Assay (weight fraction U-235)	Base charge (\$ per Kg U)
0.0072.....	40.50	0.020.....	220.00
0.0074.....	42.75	0.025.....	297.00
0.0076.....	45.25	0.030.....	375.50
0.0078.....	47.50	0.035.....	455.00
0.0080.....	50.00	0.040.....	535.50
0.0082.....	52.50	0.045.....	616.50
0.0084.....	55.00	0.050.....	698.25
0.0086.....	57.50	0.060.....	862.50
0.0088.....	60.00	0.070.....	1,028.00
0.0090.....	62.75	0.080.....	1,195.00
0.0092.....	65.25	0.090.....	1,362.00
0.0094.....	67.75	0.10.....	1,529.00
0.0096.....	70.50	0.15.....	2,374.00
0.0098.....	73.00	0.20.....	3,223.00
0.010.....	75.75	0.25.....	4,078.00
0.011.....	80.00	0.30.....	4,931.00
0.012.....	103.00	0.35.....	5,783.00
0.013.....	117.00	0.40.....	6,634.00
0.014.....	131.25	0.45.....	7,515.00
0.015.....	145.50	0.50.....	8,379.00
0.55.....	9,245.00	0.80.....	13,596.00
0.60.....	10,111.00	0.85.....	14,475.00
0.65.....	10,979.00	0.90.....	15,351.00
0.70.....	11,850.00	0.95.....	16,258.00
0.75.....	12,721.00		

Base charges for enriched uranium of assays not specifically listed will be determined by linear interpolation between the nearest listed assays. When the assay of material is less than 0.0072, the base charge will be determined by linear interpolation between the base charge for 0.0072 material and the AEC's established price for normal uranium in the form of UF₆. The current established price for normal uranium, 0.007115 weight fraction U-235, in the form of UF₆, is \$39.25 per kilogram of uranium.

TABLE 2—BASE CHARGES FOR DEPLETED URANIUM

Assay (Wt. Fraction U-235):	Base charge (per Kg U)
0.0070.....	\$38.15
0.0068.....	35.75
0.0066.....	33.50
0.0064.....	31.25
0.0062.....	29.00
0.0060.....	26.90
0.0058.....	24.75
0.0056.....	22.65
0.0054.....	20.65
0.0052.....	18.65
0.0050.....	16.65
0.0040.....	8.15
0.0036 and lower.....	5.00

Base charges for depleted uranium of assays not specifically listed will be determined by linear interpolation between the nearest listed assays. When the assay of material is greater than 0.0070, the base charge will be determined by linear interpolation between the base charge for 0.0070 material and the AEC's established price for normal uranium in the form of UF₆. The current established price for normal uranium, 0.007115 weight fraction U-235, in the form of UF₆, is \$39.25.

TABLE 3—SPECIFICATIONS FOR UF₆ FURNISHED BY AEC

The following specifications are established for enriched uranium in the form of UF₆ and depleted uranium in the form of UF₆ to be furnished by AEC:

A. Enriched uranium furnished as UF₆ shall consist of at least 99.0 per cent by weight UF₆, and depleted uranium furnished as UF₆ shall consist of at least 99.5 per cent by weight UF₆. The impurities making up the remainder may consist of fluorocarbons, hydrogen fluoride, and certain cations. The material shall be free from contamination by hydrocarbons, partially substituted halohydrocarbons or chlorocarbons.

B. Materials within the assay ranges specified in Column I, below, are subject to the

assay variations in Column II, below. The assay of material is subject to the routine precision percentage specified in Column III, below.

Column I, assay range (weight % U-235)	Column II, variation from requested assay (weight % U-235)	Column III, routine precision ¹ (% of reported value)
0.22 to normal U ¹	±0.010	±0.25
Above normal U to 1.0.....	±0.010	±0.25
Above 1.0 to 2.0.....	±0.015	±0.25
Above 2.0 to 5.0.....	±0.068	±0.15
Above 5.0 to 15.0.....	±0.150	±0.15
Above 15.0 to 27.0.....	±0.150	±0.10
Above 27.0 to 75.0.....	±0.250	±0.05
Above 75.0.....	±0.150	±0.05

¹ Depleted uranium requested without a specification as to assay is furnished at 0.22 (±0.02) weight percent U-235, subject to the routine precision percentage specified for 0.22 to normal uranium (Column III).

² 95 percent confidence limit.

TABLE 4—SPECIFICATIONS FOR RETURN OF SPECIAL NUCLEAR MATERIAL TO AEC AS UF₆

The specifications established for enriched uranium to be returned to AEC as UF₆, are (1) the specifications stated in Paragraph A of Table 3, "Specifications for UF₆ Furnished by AEC", published herewith, for enriched uranium in the form of UF₆, and (2) the following specifications:

A. Total pressure of a filled cylinder held at 200° F. until all material is liquefied shall be less than 75 psia.

B. The following cation impurities shall not be exceeded, as determined by spectrographic analysis:

Boron ----- 8 parts per million parts of uranium (ppm U).

Beryllium ---- 0.3 ppm U.

Lithium ----- 10 ppm U.

Antimony ---- 1 ppm U.

Ruthenium --- 1 ppm U.

Niobium ----- 1 ppm U.

Tantalum ---- 1 ppm U.

Titanium ----- 1 ppm U.

Total cation impurities 300 ppm U.

C. Bromine content shall not exceed 1 ppm U, and chlorine content shall not exceed 100 ppm U.

D. Mole fraction of impurities, as determined by freezing-point depression, shall not exceed 0.01 mole fraction.

E. Total non-volatile matter shall not exceed 500 ppm U.

F. Boron equivalent neutron cross-section of total impurity elements, as determined by thermal-neutron absorption, shall not exceed 8 ppm U.

G. The maximum individual concentrations of molybdenum, chromium, vanadium, and tungsten shall not exceed 200 parts per million parts of uranium-235.

H. The total gamma activity due to fission products and uranium-237 shall not exceed

20 percent of the activity of aged natural uranium.

I. The beta activity due to fission products shall not exceed 10 percent of the activity of aged natural uranium.

J. Plutonium content shall not exceed 1 part per billion parts of uranium.

TABLE 5—SPECIAL ASSAY VARIATION AND ISOTOPIC PRECISION LIMITS

AEC can provide enriched uranium in the form of UF₆ for the assay ranges specified in Column I, below, subject to the variations in assay and precision limits stated in Columns II and III, below. A special charge is added for material requested and furnished within the assay variation limits and isotopic precision percentages in this Table. (See Table 6 for rate of charges.)

Column I, assay range (weight % U-235)	Column II, variation from requested assay (weight % U-235)	Column III, special precision ¹ (% of reported value)
Above normal U to 1.0.....	±0.003	±0.10
Above 1.0 to 2.0.....	±0.005	±0.10
Above 2.0 to 5.0.....	±0.013	±0.05
Above 5.0 to 15.0.....	±0.040	±0.05
Above 15.0 to 60.0.....	±0.050	±0.04
Above 60.0.....	±0.050	±0.03

¹ 95 percent confidence limit.

TABLE 6—SPECIAL CHARGES

Property or Condition To Be Certified

	Charge (per cylinder)
A. Total Pressure.....	\$7
B. Spectrographic Impurities.....	158
C. Bromine and Chlorine.....	36
D. Freezing-point Depression.....	14
E. Non-volatile Matter.....	36
F. Boron-Equivalent Cross Section.....	36
G. Molybdenum, Vanadium, Chromium, and Tungsten (Molybdenum only, \$29).....	65
H. Fission-product and U-237 Gamma Activity.....	28
I. Fission-product Beta Activity.....	22
J. Plutonium Content.....	22

Total ----- 424

Special Assay Variation and Isotopic Precision

Cylinder type:	Charge (per cylinder)
10-ton	\$400
2.5-ton	380
MD	270
8-inch	260
5-inch	230
4-inch	145
Harshaw Bomb.....	72
2-inch	72
Hoke Tube.....	36

TABLE 7—Characteristics of AEC UF₆ cylinders¹

Cylinder type	Capacity ¹ (pounds UF ₆)	Approximate tare weight (pounds)	Material	Length (inches)	Inside diameter (inches)	Minimum loading (pounds UF ₆)
10-ton.....	20,000	4,500	Steel.....	118.5	48	2,000
2.5-ton.....	5,000	1,650	do.....	81.5	30	860
MD.....	430	185	Nickel.....	53	12	55
8-inch.....	250	120	do.....	57	8	55
5-inch.....	55	54	Monel.....	34.75	5	11
4-inch.....	11	11	Nickel.....	18	4	5
Harshaw bomb.....	5	4.2	do.....	12	3.3	(500 grams)
2-inch.....	3.3	2.5	do.....	15.3	1.8	(45 grams)
Hoke tube.....	(15 grams)	1.0	do.....	8	0.305	(1 gram)

¹ When AEC loading practice does not limit the quantity in each cylinder (see table 9).

² Used only for enrichments of 0.0375 to 0.120 weight fraction U-235, inclusive.

TABLE 8—Minimum-cost combination of cylinders¹

Amount of shipment (lb. UF ₆)	Number of cylinders					Cost (dollars)
	10-ton	2.5-ton	MD	8-inch	5-inch	
11 or less.....		(See "Sample Cylinders" below)				115
Above 11 to 55.....	0	0	0	0	1	123
Above 55 to 250 ²	0	0	0	1	0	130
Above 55 to 430.....	0	0	1	0	0	245
Above 430 to 485.....	0	0	1	0	1	260
Above 485 to 860.....	0	0	2	0	0	350
Above 860 to 5,000.....	0	1	0	0	0	465
Above 5,000 to 5,055.....	0	1	0	0	1	480
Above 5,055 to 5,430.....	0	1	1	0	0	595
Above 5,430 to 5,485.....	0	1	1	0	1	610
Above 5,485 to 5,860.....	0	1	2	0	0	700
Above 5,860 to 10,000.....	0	2	0	0	0	810
Above 10,000 to 20,000.....	1	0	0	0	0	
Above 20,000 ³						

¹ When AEC loading practice does not limit the quantity in each cylinder (see table 9).² 8-inch cylinders are used only for enrichments of 0.0375 to 0.125 weight fraction U-235 inclusive.³ Packaging costs for quantities in excess of 20,000 pounds UF₆ may be determined by addition of appropriate values from the above tabulation. For example, the minimum cost for packaging 45,000 pounds UF₆ is \$810+\$810+\$350=\$1,970.

Sample cylinders:	Cost in dollars
Less than 15 grams.....	1 Hoke Tube..... 29
Above 15 grams to 3.3 pounds.....	1 2-inch..... 58
Above 3.3 to 5.0 pounds.....	1 Harshaw bomb..... 58
Above 5.0 to 11.0 pounds.....	1 4-inch..... 115

TABLE 9—Loading limits on AEC UF₆ cylinders

Enrichment (weight fraction U-235)	Maximum quantity per cylinder, pound UF ₆				
	10-ton	2.5-ton	MD	8-inch	5-inch
0.0022 to 0.0072.....	20,000	5,000	430	Not used.....	55
Above 0.0072 to 0.0100.....	0	5,000	430	do.....	55
Above 0.0100 to 0.0110.....	0	4,447	430	do.....	55
Above 0.0110 to 0.0120.....	0	2,445	430	do.....	55
Above 0.0120 to 0.0125.....	0	1,800	430	do.....	55
Above 0.0125 to 0.0375.....	0	0	430	do.....	55
Above 0.0375 to 0.125.....	0	0	0	250.....	55
Above 0.125 ¹	0	0	0	0.....	55

¹ The loading limit on 4-inch cylinders, Harshaw bombs, 2-inch cylinders, and the Hoke Tubes is the rated capacity of the cylinder.

[F.R. Doc. 60-3015; Filed, Apr. 1, 1960; 8:48 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

MARCH 30, 1960.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 36106: *Wheat and flour to Texas and Louisiana Gulf ports.* Filed by Southwestern Freight Bureau, Agent (No. B-7760), for interested rail carriers. Rates on wheat and flour, manufactured directly from wheat, in carloads from points in Kansas, Missouri, Oklahoma, and Texas to Chalmette, Lake Charles, New Orleans, La., Beaumont, Corpus Christi, and Orange, Tex.

Grounds for relief: port equalization. Tariffs: Supplement 23 to Missouri Pacific Railroad Company's tariff I.C.C. 127. Supplement 38 to St. Louis-San Francisco Railway Company's tariff I.C.C. A-777.

FSA No. 36107: *Rock Salt—Louisiana points to Louisville, Ky.* Filed by Southwestern Freight Bureau, Agent (No. B-7758), for interested rail carriers. Rates

on rock salt, loose, in bulk, in carloads from Avery Island, Jefferson Island, Weeks, and Winnfield, La., to Louisville, Ky.

Grounds for relief: Carrier market competition at Louisville with Detroit, Mich.

Tariff: Supplement 28 to Southwestern Freight Bureau tariff I.C.C. 4263.

FSA No. 36108: *Substituted service—RF&P, ACL and PRR for R. C. Motor Lines, Inc.* Filed by Southern Motor Carriers Rate Conference, Agent (No. 20), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Kearny, N.J., and Philadelphia, Pa., on the one hand, and Charleston, S.C., Jacksonville, Fla., and Savannah, Ga., on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 4 to Southern Motor Carriers Rate Conference tariff I.C.C. 33, MF-I.C.C. 1071.

FSA No. 36109: *Substituted service—ACL and RF&P for R. C. Motor Lines, Inc.* Filed by Southern Motor Carriers Rate Conference, Agent (No. 21), for the Atlantic Coast Line Railroad Company and other interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Alexandria and Richmond, Va., on the

one hand, and Charleston, S.C., Jacksonville, Fla., and Savannah, Ga., on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 4 to Southern Motor Carriers Rate Conference tariff I.C.C. 33, MF-I.C.C. 1071.

FSA No. 36110: *Substituted service—IC for Strickland Motor Freight Lines, Inc., and Strickland Transportation Co., Inc.* Filed by Southern Motor Carriers Rate Conference, Agent (No. 22), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Memphis, Tenn., and New Orleans, La., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 4 to Southern Motor Carriers Rate Conference tariff I.C.C. 33, MF-I.C.C. 1071.

FSA No. 36111: *Substituted service—SAL for Ryder Truck Lines, Inc.* Filed by Southern Motor Carriers Rate Conference, Agent (No. 23), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Charlotte, N.C., on the one hand, and Jacksonville, Miami and Tampa, Fla., on the other, also between Jacksonville, and Miami, Fla., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 4 to Southern Motor Carriers Rate Conference tariff I.C.C. 33, MF-I.C.C. 1071.

FSA No. 36112: *Substituted service—FEC and ACL for Ryder Truck Lines, Inc.* Filed by Southern Motor Carriers Rate Conference, Agent (No. 24), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Atlanta, Ga., and Miami, Fla., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 4 to Southern Motor Carriers Rate Conference tariff I.C.C. 33, MF-I.C.C. 1071.

FSA No. 36113: *Substituted service—ACL for Ryder Truck Lines, Inc.* Filed by Southern Motor Carriers Rate Conference, Agent (No. 25), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Atlanta, Ga., on the one hand, and Jacksonville, Orlando, Lakeland, and Tampa, Fla., on the other, also between Jacksonville, on the one hand, and Lakeland and Tampa, on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 4 to Southern Motor Carriers Rate Conference tariff I.C.C. 33, MF-I.C.C. 1071.

FSA No. 36114: Iron and steel articles between points in Louisiana. Filed by Texas-Louisiana Freight Bureau, Agent (No. 381), for interested rail carriers. Rates on iron and steel articles, in carloads between points in Louisiana west of the Mississippi River, including IC stations, North Baton Rouge to New Orleans, and L&A stations North Maryland to New Orleans, on Louisiana interstate traffic.

Grounds for relief: Competition with Texas interstate traffic.

Tariff: Supplement 12 to Texas-Louisiana Freight Bureau tariff I.C.C. 812.

FSA No. 36115: Substituted service—ICC for Strickland Transportation Co., Inc. Filed by Central and Southern Motor Freight Tariff Association, Incorporated, Agent (No. 6), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between New Orleans, La., and Memphis, Tenn., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 1 to Central and Southern Motor Freight Tariff Association, Incorporated, tariff MF-I.C.C. 213.

FSA No. 36116: Substituted service—IC for Gordons Transports, Inc., and Hoover Motor Express Company, Inc. Filed by Central and Southern Motor Freight Tariff Association, Incorporated, Agent (No. 7), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Chicago and East St. Louis, Ill., on the one hand, and Birmingham, Ala., Jackson, Miss., Memphis, Tenn., and New Orleans, La., on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 1 to Central and Southern Motor Freight Tariff Association, Incorporated, tariff MF-I.C.C. 213.

FSA No. 36117: Substituted service—C&O for Hennis Freight Lines, Inc. Filed by Central and Southern Motor Freight Tariff Association, Incorporated, Agent (No. 8), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Cincinnati, Ohio, on the one hand, and Lynchburg, Richmond, and Newport News, Va., on the other, also between Newport News, on the one hand, and Richmond and Lynchburg, on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 1 to Central and Southern Motor Freight Tariff Association, Incorporated, tariff MF-I.C.C. 213.

FSA No. 36118: Iron or steel ingot molds or stools—Chicago, Ill., to Alabama. Filed by Illinois Freight Association, Agent (No. 92), for interested rail carriers. Rates on ingot molds or ingot mold stools, iron or steel, in carloads

from Chicago, Ill., to Alabama City and Anniston, Ala.

Grounds for relief: Truck-barge-rail competition.

Tariff: Supplement 124 to Illinois Freight Association tariff I.C.C. 855.

By the Commission.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 60-3013; Filed, Apr. 1, 1960;
8:48 a.m.]

[Notice 289]

MOTOR CARRIER TRANSFER PROCEEDINGS

MARCH 30, 1960.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 62920. By order of March 28, 1960, the Transfer Board approved the transfer to P. N. Simmons, doing business as Rheman Transport of Virginia, Portsmouth, Va., of a portion of Certificate No. MC 103191 Sub 4, issued March 9, 1949, to The Geo. A. Rheman Co., Inc., North Charleston, S.C., authorizing the transportation of: Petroleum products, in bulk, in tank vehicles, between Portsmouth, Va., and points within 10 miles thereof, on the one hand, and, on the other, points in North Carolina. Frank A. Graham, Jr., 707 Security Federal Building, Columbia 1, S.C., for applicants.

No. MC-FC 62983. By order of March 28, 1960, the Transfer Board approved the transfer to Argo Trucking Company, Inc., Elberton, Georgia, of Certificates Nos. MC 110878 and MC 110878 Sub 9, issued October 14, 1949 and August 13, 1959, respectively, to Grady Albertson, doing business as Argo Trucking Company, Elberton, Georgia, authorizing the transportation of: Granite and marble from Elberton, Ga., and points within 15 miles thereof, and Tate, Ga., and points within 20 miles thereof, to points in Alabama, Florida, Mississippi, Louisiana, North Carolina, South Carolina, Arkansas, Texas and points in Missouri except St. Louis and points within 25 miles thereof; damaged and defective shipments of granite and marble from and to above-designated places; roofing and roofing materials, from Mobile, Ala., to Royston, Lavonia and Elberton, Ga.; and prefabricated marble water closet stall partitions, complete, from Nelson and Tate, Ga., to points in Alabama, Florida, Mississippi, Louisiana, North

Carolina, South Carolina, Arkansas, Texas and Missouri (except St. Louis and points within 25 miles thereof), and substitution in No. MC 110878 Sub 10. Guy H. Postell, Attorney at Law, 805 Peachtree Street Building, Atlanta 8, Ga., for applicants.

No. MC-FC 63052. By order of March 28, 1960, the Transfer Board approved the transfer to Warren Suburban, Inc., Warren, Ohio, of Certificates Nos. MC 47126 and MC 47126 Sub 1 issued March 17, 1942 and December 5, 1951, in the name of The Warren-Newton Falls Transportation Co., a corporation, Newton Falls, Ohio, authorizing the transportation of passengers and their baggage, and express and newspapers, in the same vehicle with passengers, over a regular route, between Newton Falls, Ohio and Warren, Ohio; and between Newton Falls, Ohio and Ravenna, Ohio. Taylor C. Burneson, 3430 Le Veque-Lincoln Tower, Columbus 15, Ohio for applicants.

No. MC-FC 62996. By order of March 28, 1960, the Transfer Board approved the transfer to Matuszko Farms, Inc., Amherst, Mass., of Certificate No. MC 117242 issued March 17, 1960, in the name of Chester C. Matuszko, doing business as Mat Farms Company, North Amherst, Mass., authorizing the transportation of: fertilizer and fertilizer materials and agricultural insecticides, fungicides, and herbicides, over irregular routes, from South Deerfield, Mass., to points in Vermont, New Hampshire, Rhode Island, and those in Clinton, Essex, Warren, Washington, Columbia, and Rensselaer Counties, N.Y. Lawrence E. Cooke, 209 Washington Street, Boston, Mass., for applicants.

No. MC-FC 63084. By order of March 28, 1960, the Transfer Board approved the transfer to Kellogg Trucking Company, Inc., Speed, Ind., of Permit No. MC 110662 issued by the Commission January 3, 1950, in the name of George Mattox, Speed, Ind., authorizing the transportation of hot mix, gravel, crushed stone, stone products, sand, asphalt, cement in bulk, and lime in bulk, and in packages, when transported in dump trucks, over irregular routes, from Speed, Ind., to points in Jefferson, Oldham, Shelby, Bullitt, Hardin, Spencer, and Nelson Counties, Ky., with no transportation for compensation on return. Earl C. Frankenberg, 1104 Kentucky Home Life Building, Louisville 2, Kentucky, for applicants.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 60-3014; Filed, Apr. 1, 1960;
8:48 a.m.]

[Disaster Order 6]

FLORIDA

Transportation of Livestock Feed and Hay at Reduced Rates

It appearing that because of recent floods in the State of Florida, the Acting Secretary of Agriculture by letter dated March 29, 1960, has requested the Commission to enter an order under section

22 of the Interstate Commerce Act authorizing railroads subject to the Commission's jurisdiction to transport livestock feed and hay to disaster areas in Florida at reduced rates:

It is ordered, That carriers by railroad participating in the transportation of livestock feed and hay to the disaster areas in Florida, which is all of the counties of Brevard, Hernando, Hillsborough, Indian River, Lake, Orange, Osceola, Pasco, Pinellas, Polk, Seminole and Sumter, be, and they are hereby, authorized under section 22 of the Interstate Commerce Act to establish and maintain until May 30, 1960, reduced rates for such transportation, the rates to be published and filed in the manner prescribed in section 6 of the Interstate Commerce Act except that they may be made effective one day after publication and filing instead of thirty.

It is further ordered, That the class of persons entitled to such reduced rates is hereby defined as persons designated as being in distress and in need of relief by

the United States Department of Agriculture or by such State agents or agencies as may in turn be designated by the United States Department of Agriculture to assist in relieving the distress caused by the excessive rains.

It is further ordered, That, during the period in which any reduced rates authorized by this order are effective the carriers may, notwithstanding the provisions of section 4 of the Interstate Commerce Act, maintain higher rates to directly intermediate points and maintain through rates in excess of the aggregate of intermediate rates over the same routes if one or more of the factors of such aggregate of intermediate rates is a reduced rate established under the authority of this order.

It is further ordered, That any tariffs or tariff provisions published under the authority of this order shall explicitly so state, making reference to this order by number and date.

And it is further ordered, That notice to the affected railroads and the general

public shall be given by depositing a copy of this order in the office of the Secretary of the Commission and by filing a copy with the Director, Office of the Federal Register; and that copies be mailed to the Chairman of the Traffic Executive Association—Eastern Railroads, New York, N.Y., the Chairman of the Southern Freight Association, Atlanta, Georgia, the Chairman of the Executive Committee, Western Traffic Association, Chicago, Illinois, the Traffic Vice-President of the Association of American Railroads, Washington, D.C., and to the President of the American Short Line Railroad Association, Washington, D.C.

Dated at Washington, D.C., this 30th day of March 1960.

By the Commission, Commissioner Freas.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 60-3025; Filed, Apr. 1, 1960; 8:50 a.m.]

CUMULATIVE CODIFICATION GUIDE—APRIL

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during April.

5 CFR	Page	14 CFR—Continued	Page	26 (1954) CFR	Page
6.....	2755	602.....	2795	PROPOSED RULES:	
89.....	2823	609.....	2765	302.....	2800
6 CFR		PROPOSED RULES:		33 CFR	
434.....	2785	507.....	2804	19.....	2756
7 CFR		600.....	2805-2807	270.....	2797
933.....	2755, 2788	601.....	2805-2808	35 CFR	
953.....	2789	16 CFR		4.....	2799
1024.....	2789	13.....	2795	41 CFR	
PROPOSED RULES:		19 CFR		PROPOSED RULES:	
961.....	2769	8.....	2795	50-202.....	2804
1010.....	2769	11.....	2795	43 CFR	
9 CFR		25.....	2796	188.....	2797
PROPOSED RULES:		21 CFR		193.....	2797
201.....	2803	9.....	2796	195.....	2797
14 CFR		PROPOSED RULES:		196.....	2797
241.....	2757	120.....	2804	198.....	2797
375.....	2790	121.....	2774	199.....	2797
507.....	2765	25 CFR		200.....	2797
600.....	2794	PROPOSED RULES:		46 CFR	
601.....	2794	184.....	2803	154.....	2756

Washington, Saturday, April 2, 1960

Group Health Benefits Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 89—GROUP HEALTH BENEFITS

On February 2, 1960, a notice of proposed rule-making was published in the *FEDERAL REGISTER* (25 F.R. 875) stating that the Civil Service Commission was considering issuance of regulations for the establishment and administration of the Federal Employees Health Benefits Program. Interested persons were allowed 30 days from the date of publication in which to submit written comments, suggestions, and objections.

Many comments, suggestions, and objections were received from Federal agencies, health benefits carriers, practitioners of the healing arts, and Federal employees. All were given full and careful consideration.

A number of the comments had to do with the provisions for beginning and ending dates of coverage. The past practices of health benefits carriers as to initial and terminal liability for health benefits for covered persons have varied. To avoid adverse selection against particular plans by poor risks, and at the same time allow the maximum in free choice of plan for employees, the Commission has adopted the provisions for effective date of enrollment, change in enrollment, and termination of enrollment, and for extensions of coverage, set out in the regulations. In the judgment of the Commission, these provisions represent the best available solution of the many problems involved.

Others of the comments conflicted with the letter or intent of the law, or with the Commission's policy of obtaining the utmost in benefits for employees at a reasonable cost, and consequently could not be adopted.

The Commission is charged by law with the responsibility for providing employees with the information necessary to allow them to make an informed choice among plans. This information cannot be assembled until appropriate contracts are executed. Contracts cannot be executed until regulations for the establishment and administration of the Federal Employees Health Benefits Program have been issued. Because of the effective date established for the Program by law, and in view of the opportunity already provided for comment, the Commission therefore finds that further opportunity to participate in the rule-making procedure is impracticable, and not in the public interest, and therefore,

It is ordered, That effective on the date of publication in the *FEDERAL REGISTER*, Chapter I of Title 5, Code of Federal Regulations, is amended by adding a new Part 89, to read as follows:

Subpart A—Enrollment

- | | |
|------|---|
| Sec. | |
| 89.1 | Definitions. |
| 89.2 | Coverage. |
| 89.3 | Enrollment. |
| 89.4 | Effective date of enrollment. |
| 89.5 | Continuation of enrollment. |
| 89.6 | Cancellation of enrollment. |
| 89.7 | Termination and suspension of enrollment. |
| 89.8 | Temporary extension of coverage for conversion. |

Subpart B—Approval of Plans and Carriers

- | | |
|-------|--|
| 89.11 | Minimum standards for health benefits plans. |
| 89.12 | Minimum standards for health benefits carriers. |
| 89.13 | Application for approval of health benefits plans. |
| 89.14 | Withdrawal of approval of health benefits plans. |

Subpart C—Administrative Provisions

- | | |
|-------|-----------------------------|
| 89.21 | Contributions. |
| 89.22 | Reserves. |
| 89.23 | Certificates of dependency. |
| 89.24 | Employee appeals. |
| 89.25 | Legal actions. |

AUTHORITY: §§ 89.1 to 89.25 issued under sec. 10, 73 Stat. 715, 5 U.S.C. 3009.

Subpart A—Enrollment

§ 89.1 Definitions.

For the purposes of this part:

(a) Terms defined by section 2 of the Federal Employees Health Benefits Act of 1959 have the meanings there set forth.

(b) "Employing office" means any office of an agency to which jurisdiction and responsibility for health benefits actions for the employee concerned have been delegated. For enrolled annuitants who are not also eligible employees, the office which has authority to approve payment of annuity or workmen's compensation for the annuitant concerned is the employing office.

(c) "Option" means a level of benefits. It does not include distinctions as to the members of the family covered.

(d) Whenever, in this part, a period of time is stated as a number of days or a number of days from an event, the period shall be computed in calendar days, excluding the day of the event.

(e) "Pay period" means the biweekly pay period established pursuant to the Federal Employees Pay Act of 1945 for the employees to whom that Act applies; the regular pay period for employees not covered by that Act; and the period for which a single installment of annuity is customarily paid for annuitants.

(f) "Register" means to file with the employing office a properly completed Health Benefits Registration Form, either electing to be enrolled in a health benefits plan or electing not to be enrolled. "Register to be enrolled" means to register an election to be enrolled. "Enrolled" means to be enrolled in a health benefits plan approved by the Commission under this part.

(g) "Immediate annuity" means an annuity which begins to accrue not later than one month after the date enrollment under a health benefits plan would cease for an employee or member of

family if he were not entitled to continue enrollment as an annuitant.

(h) "Eligible" means eligible under the law and this part to be enrolled.

§ 89.2 Coverage.

(a) Each employee, other than those excluded by paragraph (b), is eligible to be enrolled in a health benefits plan at the times and under the conditions prescribed in this part.

(b) Employees in the following groups are not eligible:

(1) Employees serving under appointments limited to one year or less, except (i) employees so appointed for full-time employment without break in service or after a separation of three days or less, following service in which they were enrolled under this part, and (ii) acting postmasters.

(2) Employees whose employment is of uncertain or purely temporary duration, or who are employed for brief periods at intervals, or who are expected to work less than six months in each year.

(3) Employees in the postal field service serving under temporary appointments pending establishment of a register.

(4) Part-time, when-actually-employed, or intermittent employees having no regular tour of duty.

(5) Employees whose salary, pay, or compensation on an annual basis is \$12 a year or less.

(6) Beneficiary or patient employees in Government hospitals or homes.

(7) Employees paid on a contract or fee basis.

(8) Employees paid on a piecework basis, except those whose work schedule provides for regular or full-time service.

(c) The Commission shall make final determinations of the applicability of this section to specific employees or groups of employees.

§ 89.3 Enrollment.

(a) Except as otherwise provided in this part, each eligible employee, whether or not he wishes to be enrolled, must register before July 1, 1960.

(b) Each employee who becomes eligible after June 30, 1960, must register within 31 days after becoming eligible.

(c) Upon a determination by the employing office that an employee was unable, for cause beyond his control, to register to be enrolled within the time limits prescribed by paragraphs (a) and (b) of this section, the employing office shall accept his registration to be enrolled within 31 days after his first opportunity.

(d) An employee whose enrollment was terminated because of his completion of 365 days in a nonpay status must register within 31 days after his return to pay status.

(e) An employee who serves in cooperation with non-Federal agencies and is paid in whole or part from non-Federal funds may register to be enrolled within the period prescribed by the Commission for the group of which the employee is a member following approval by the Commission of arrangements providing (1) that the required withholdings and contributions will be made from Federally-controlled funds and timely

deposited into the Employees Health Benefits Fund, or (2) that the cooperating non-Federal agency will, by written agreement with the Federal agency, make the required withholdings and contributions from non-Federal funds and will transmit them to the Federal agency for timely deposit into the Employees Health Benefits Fund.

(f) An employee eligible to register before July 1, 1961, who did not register before July 1, 1961, who registered not to be enrolled, or who has cancelled his enrollment, may register to be enrolled between the 1st and 15th, inclusive, of October 1961. An employee or annuitant enrolled before July 1, 1961, may change his enrollment with respect to whether his family is covered, the health benefits plan in which he is enrolled, which of the options he selects, or any combination of these, between the 1st and 15th, inclusive, of October 1961. Thereafter, not less often than once every three years, the Commission will by regulation provide every employee a similar opportunity for enrollment and change of enrollment, on such terms and conditions as it may prescribe. The enrollment or change of enrollment will be effective on the first day of the first pay period after the following October 31st.

(g) (1) An enrolled employee or annuitant may change his enrollment from himself alone to himself and family, or the reverse, and an employee, if not registered to be enrolled, may register to be enrolled, at any time during the period beginning 31 days before a change in marital status and ending 60 days after the change in marital status. An enrolled employee or annuitant may change his enrollment from himself alone to himself and family, or the reverse, within 60 days after any other change in family status.

(2) An employee who is not enrolled, but is covered by enrollment, under this part, of a spouse, may register to be enrolled within 31 days after termination of the spouse's enrollment, other than by death or cancellation, and within 60 days after termination of the spouse's enrollment by death. An employee who is not enrolled, but is covered by the enrollment of a parent, may register to be enrolled within 31 days after the termination of his coverage.

(h) (1) An employee or annuitant who is enrolled in a comprehensive medical plan, and who moves outside the geographic area to which enrollment in that plan is limited, may, within 31 days after the move, register to be enrolled in another health benefits plan, but may not change his enrollment from himself alone to himself and family, or the reverse.

(2) An employee or annuitant who is enrolled in a health benefits plan sponsored or underwritten by an employee organization and whose membership in the employee organization is terminated, may, if the plan terminates his enrollment, register, within 31 days after termination of his enrollment in the employee organization plan, to be enrolled in another health benefits plan, but may not change his enrollment from himself alone to himself and family, or the reverse.

(i) An employee who is transferred from a post of duty within the several States and the District of Columbia to a post of duty outside the several States and the District of Columbia, or the reverse, may register to be enrolled or change his enrollment with respect to whether his family is covered, the health benefits plan in which he is enrolled, which of the options he selects, or any combination of these, within the period beginning 31 days before the date he leaves the old post of duty and ending 31 days after he arrives at the new post of duty.

(j) An employee or annuitant who is enrolled in a health benefits plan which ceases to be an approved health benefits plan may register to be enrolled in another plan at any time within 31 days after the date set by the Commission for termination of its approval of the plan, but may not change his enrollment from himself alone to himself and family, or the reverse.

(k) When an employee or annuitant enrolled for himself and family dies, leaving a survivor annuitant who is entitled to continue the enrollment in a health benefits plan, and it is apparent to the employing office from available records that the survivor annuitant is the sole survivor entitled to continue enrollment in the health benefits plan, the employing office shall change the enrollment from family to individual enrollment, effective on the first day of the first pay period thereafter for the survivor annuitant. Upon request of the survivor annuitant made within 31 days after the first installment of annuity is paid, this action shall be rescinded retroactive to the effective date of the action, with corresponding adjustment in withholdings and contributions.

(l) An employee or annuitant who enrolls for self and family must include in his enrollment all members of his family who are eligible to be covered by his enrollment.

(m) In the discretion of the employing office, a representative of the employee or annuitant having a written authorization to do so may register for him.

§ 89.4 Effective date of enrollment.

(a) The effective date of enrollment under § 89.3(a) is the first day of the first pay period which begins after June 30, 1960, and after the pay period in which:

(1) The employee's Health Benefits Registration Form is received by his employing office, and

(2) (i) The employee, if not a substitute in the postal field service, has completed a pay period in pay status, or, (ii) if a substitute in the postal field service, has completed six consecutive pay periods in which he was in pay status and in each of which he drew sufficient pay, after other deductions, to permit withholding the amount necessary for his share of the cost of the health benefits plan he selects.

(b) The effective date of enrollment under § 89.3(f) for employees, is the first day of the first pay period which begins after October 31 of the year in which the employee has an opportunity

to enroll or change enrollment, and after the pay period in which:

(1) The employee's Health Benefits Registration Form is received by his employing office, and

(2) (i) the employee, if not a substitute in the postal field service, has completed a pay period in pay status, or, (ii) if a substitute in the postal field service, has completed six consecutive pay periods in which he was in pay status and in each of which he drew sufficient pay, after other deductions, to permit withholding the amount necessary for his share of the cost of the health benefits plan he selects.

(c) The effective date of change of enrollment under § 89.3(j) is the first day of the first pay period after the employee's or annuitant's Health Benefits Registration Form is received by his employing office.

(d) The effective date of other enrollments or changes of enrollment is the first day of the first pay period which begins not less than 14 days after the Health Benefits Registration Form is received by the employing office and which follows—

(1) A pay period in which the employee, if not a substitute in the postal field service, or annuitant is in pay or annuity status, or

(2) If the employee is a substitute in the postal field service, the sixth consecutive pay period in which he was in pay status and in each of which he drew sufficient pay, after other deductions, to permit withholding the amount necessary for his share of the cost of the health benefits plan he selects.

§ 89.5 Continuation of enrollment.

Except as otherwise provided by this part, enrollment of an employee or annuitant eligible to continue enrollment continues without change when he (a) moves from one employing office to another, without a break in service of more than three days, whether the personnel action is designated as a transfer or not, or (b) changes from one employing office to another by reason of retirement under conditions making him eligible to continue enrollment, or reemployment; and the enrollment of a deceased employee or annuitant continues without change for eligible survivor annuitants.

§ 89.6 Cancellation of enrollment.

An enrolled employee or annuitant may register to cancel his enrollment at any time by filing with his employing office a properly completed Health Benefits Registration Form. The cancellation becomes effective on the last day of the pay period following the pay period in which the Health Benefits Registration Form cancelling his enrollment is received by his employing office. He and the members of his family are not entitled to the temporary extension of coverage for conversion or to convert to an individual contract for health benefits.

§ 89.7 Termination and suspension of enrollment.

(a) An employee's enrollment ceases, subject to the temporary extension of

coverage for conversion, at midnight of the earliest of the following dates:

(1) The last day of the pay period in which he is (i) furloughed by reason of reduction in force, or (ii) separated from the service other than by retirement under conditions entitling him to continue his enrollment.

(2) The last day of the pay period in which his employment status changes so that he is excluded from enrollment.

(3) The last day of the pay period in which he dies.

(4) The 365th day of continuous non-pay status, and enrollment during periods of nonpay status before termination is without contributions by the employee or the Government.

(5) For substitutes in the postal field service whose enrollment is not terminated as otherwise provided in this section, the last day of the 13th consecutive pay period, exclusive of periods of approved leave without pay of six months or more, during which his pay was not sufficient to permit withholding of the amount necessary for his share of the cost of the health benefits plan in which he is enrolled.

(b) Enrollment and coverage of an employee who enters on active duty or active duty for training in one of the uniformed services (1) for a period of time which is not limited to less than 30 days, and (2) under conditions which entitle him to reemployment in his civilian position, and the coverage of the members of his family, are suspended on the date of entry. His enrollment is reinstated without change when he returns to active duty in his civilian position. However, if he returns to active duty in a civilian position under conditions which do not entitle him to exercise his reemployment rights, he must register as provided in this part for new employees.

(c) An annuitant's enrollment ceases, subject to the temporary extension of coverage for conversion, at midnight of the last day of the pay period in which he dies, or, if his enrollment is not terminated by death, at midnight of the earlier of the following dates:

(1) The last day of the last pay period for which he is entitled to annuity, unless he is eligible for continued enrollment as an employee, in which case his enrollment continues without change; or

(2) The last day of the pay period in which his title to compensation under the Federal Employees Compensation Act, as amended, terminates, or in which he is held by the Secretary of Labor to be able to return to duty, unless he is eligible for continued enrollment as an employee or as an annuitant under a retirement system for civilian employees, in which cases his enrollment continues without change.

(d) (1) The coverage of a member of the family of an enrolled employee or annuitant ceases, subject to the temporary extension of coverage for conversion, at midnight, of the earlier of the following dates:

(i) The last day of the pay period in which he ceases to be a member of the family.

(ii) The day the employee or annuitant ceases to be enrolled, unless the member is entitled, as a survivor annuitant, to continued enrollment.

(2) The withholdings required from enrolled survivor annuitants shall be taken from the annuity of the surviving spouse, if any. If that annuity is less than the withholding required, the annuity of the youngest child shall be withheld to the extent necessary, and, if necessary, the annuity of each next older child, in succession, until the withholding is satisfied.

(e) If the annuity of an annuitant or of all annuitants in a family is not sufficient to pay the withholdings for the plan in which the annuitants are enrolled, the employing office shall notify the annuitant of the plans available at a cost not in excess of the annuity. The annuitant may register to be enrolled in another plan whose cost is no greater than his annuity. If the annuitant does not, or cannot, elect a plan at a cost to him not in excess of the annuity, the enrollment of the annuitant shall cease, effective as of the end of the last period for which withholding was made. Each annuitant whose enrollment is so terminated is entitled to a 31-day extension of coverage for conversion.

§ 89.8 Temporary extension of coverage for conversion.

An employee or annuitant whose enrollment is terminated other than by cancellation, and a member of the family whose coverage is terminated other than by cancellation of the enrollment under which he is covered, is entitled to a 31-day extension of coverage for himself, or himself and family, as the case may be, without contributions by the enrolled person or the Government, during which he is entitled to exercise the right of conversion provided for by this part.

Subpart B—Approval of Plans and Carriers

§ 89.11 Minimum standards for health benefits plans.

(a) To be qualified to be approved by the Commission, a health benefits plan must:

(1) Comply with the Federal Employees Health Benefits Act of 1959 and this part, as amended from time to time.

(2) Accept enrollment, in accordance with this part, and without regard to age, race, sex, health status, or hazardous nature of employment, of all eligible employees or annuitants except that plans which are sponsored or underwritten by employee organizations may not accept enrollment of persons who are not members of the organization, but may not limit membership in the organization on account of these prohibited factors. The enrollment of an employee or annuitant in a health benefits plan sponsored or underwritten by an employee organization may be terminated by the carrier on account of termination of membership in the organization. A comprehensive medical plan need not enroll employees and annuitants residing outside geographic areas specified by the plan and may

terminate the enrollment of employees and annuitants who move outside the geographic areas.

(3) Provide for coverage of enrolled employees and annuitants and covered members of their families wherever they may be.

(4) Provide for conversion to a contract for health benefits regularly offered by the carrier, or an appropriate affiliate, for group conversion purposes, which must, at the option of the employee, annuitant, or member of the family, as the case may be, be guaranteed renewable, subject to such amendments as apply to all contracts of this class, except that it may be cancelled for fraud, over-insurance, or nonpayment of periodic charges. Conversion must be permitted within the time allowed by the temporary extensions of coverage provided under § 89.8 for each employee, annuitant, and member of family entitled to convert; but, if an employee is given written notice by his employing office of his privilege of conversion, conversion must be permitted at any time before (i) fifteen days after the date of the notice or (ii) seventy-five days after his enrollment is terminated, whichever is earlier; and if the Commission requests an extension of time for conversion because of delayed determination of ineligibility for immediate annuity, conversion must be permitted until the date specified by the Commission in its request for extension. The contract shall, upon conversion, become effective as of the day following the last day of the temporary extension, and the employee, annuitant, or member of the family, as the case may be, shall pay the entire cost thereof directly to the carrier. The non-group contract may not deny or delay an obstetrical or other benefit covered by the contract for a person converting from a plan approved under this part, except to the extent that benefits are continued under the health benefits plan from which he converts.

(5) (i) Provide that any person who has been granted a temporary extension of coverage in accordance with § 89.8 of this part and who, on the 31st day of the temporary extension, is confined in a hospital or other institution for care or treatment shall be granted continuation of the benefits of the plan during the continuance of the confinement but not beyond the 60th day following the end of the temporary extension.

(ii) Provide that any person whose enrollment has been changed from one plan to another, or from one option of a plan to the other option of that plan, and who is confined in a hospital or other institution on the last day of enrollment under the prior plan or option shall be granted a continuation of the benefits of the prior plan or option during the continuance of the confinement, but not beyond the 91st day following the last day of enrollment in the prior plan or option; and that the plan or option to which enrollment has been changed shall not pay benefits with respect to that person while that person is entitled to continuance of benefits under the prior plan or option.

(6) Provide that each employee and annuitant who enrolls in the plan receive evidence of his enrollment, in a form to be approved by the Commission, summarizing the conditions of the plan, including, but not limited to, those concerning benefits, claims, and payment of claims.

(7) Provide a standard rate structure which contains, for each option, one standard individual rate, and one standard family rate, without geographical or other variations.

(8) Maintain statistical records regarding the plan, separately from those of any other activities or benefits conducted or offered by the carrier sponsoring or underwriting the plan.

(9) Provide for return to the Employees Health Benefits Fund, at the end of each contract period, of so much of the subscription charges and other income attributable to the plan as exceeds the sum incurred for benefit payments, premium and other taxes attributable to the plan, and other expenses; the risk charge or retention authorized by the Commission for the plan; and a special reserve not to exceed the latest three calendar months' subscription charges paid from the Fund. Amounts so returned shall be credited to the contingency reserve for that plan. Amounts retained by the carrier as reserves for the plan must be accounted for separately from reserves maintained by the carrier for other plans. The special reserve shall be invested and income derived from investment of the reserve fund, or an interest rate agreed upon in advance, shall be credited to the reserve. In the event the contract is terminated or approval of the plan is withdrawn, the reserve fund shall be returned to the Employees Health Benefits Fund. For a carrier providing service benefits, the Commission may in its discretion approve the use of other equitable and practicable recording, accounting, reporting, and financial procedures.

(b) To be qualified to be approved by the Commission, a health benefits plan must not:

(1) Deny any covered person a benefit provided by the plan for a service rendered on or after the effective date of coverage solely because of a pre-existing physical or mental condition; or require a waiting period for any covered person for benefits which it provides, except that a plan may, with the approval of the Commission, limit benefits for services rendered to a person who, on the effective date of enrollment, is confined in a hospital or other institution, so long as the person is continuously confined therein.

(2) Have more than two options.

(3) Have an initiation, service, enrollment, or other fee or charge in addition to the rate charged for the plan, except that, notwithstanding subparagraph (1) of this paragraph, comprehensive medical plans may impose an additional charge, to be paid directly by the employee or annuitant for certain medical supplies and services, if the supplies and services on which additional charges are imposed are clearly set forth in advance

and are applicable to all employees and annuitants. This subparagraph does not apply to charges for membership in employee organizations sponsoring or underwriting plans.

§ 89.12 Minimum standards for health benefits carriers.

A health benefits plan will not be approved by the Commission unless the carrier of the plan meets, in addition to the requirements of the Federal Employees Health Benefits Act of 1959, the following additional requirements:

(a) It must be lawfully engaged in the business of supplying health benefits.

(b) It must have, in the judgment of the Commission, the financial resources and experience in the field of health benefits to carry out its obligations under the plan.

(c) It must agree to keep such reasonable financial and statistical records and furnish such reasonable financial and statistical reports with respect to the plan as may be requested by the Commission, which may include but is not limited to:

(1) Number of employees enrolled, by option and family coverage.

(2) Subscription charges received.

(3) Claims incurred, including health benefits payments made, or services rendered, by option and family coverage.

(4) Expense and risk or other retention charges.

(5) Reserves.

(d) It must agree to permit representatives of the Commission and of the General Accounting Office to audit and examine its records and accounts which pertain, directly or indirectly, to the plan at such reasonable times and places as may be designated by the Commission or the General Accounting Office.

(e) It must agree not to advertise a plan approved under the Federal Employees Health Benefits Program, or its participation in the Program, to employees, or solicit enrollment of employees in a plan approved under the Program, other than in accordance with the instructions of the Commission.

(f) It must agree to accept, subject to adjustment for error or fraud, in payment of its charges for health benefits for all employees and annuitants enrolled in its plan, the enrollment charges received by the Employees Health Benefits Fund less the amounts set aside for the administrative and contingency reserves prescribed by this part. The Commission will pay over the amounts due each carrier at such times as are agreed upon by the carrier and the Commission.

§ 89.13 Application for approval of health benefits plans.

(a) Application for approval of comprehensive medical plans may be made by letter to the United States Civil Service Commission, Washington 25, D.C.

(b) Approvals of all health benefits plans will become effective on May 1, 1960, for those carriers which have applied for approval by December 31, 1959. Thereafter, approval of a plan will become effective on a date to be set by the Commission for the plan.

§ 89.14 Withdrawal of approval of health benefits plans.

(a) The Commissioners may, on application of a carrier or on their own option, withdraw their approval of a health benefits plan.

(b) Before withdrawing approval of the plan, the Commissioners shall cause to be sent, by certified mail, a notice to the carrier stating that they intend to withdraw their approval, and giving the reasons therefor. The carrier is entitled to reply in writing within 30 days of its receipt of the notice, stating the reasons why approval should not be withdrawn.

(c) On receipt of the reply, or in the absence of a timely reply, the Commissioners shall set a time and place for hearing. The Commissioners shall conduct the hearing or designate a representative to do so. The carrier shall be given notice thereof, by certified mail, at least fifteen days in advance of the hearing. The carrier is entitled to appear by representative and present oral and written evidence and argument in opposition to the proposed action.

(d) The Commissioners shall make their decision on the record and communicate it to the carrier by certified mail. The Commissioners may set a future effective date for withdrawal of their approval.

(e) The Commissioners, may in their discretion reinstate approval of a plan upon a finding that the reasons for withdrawing approval no longer exist.

Subpart C—Administrative Provisions

§ 89.21 Contributions.

(a) The Government contribution for all plans, except those for which another contribution is set by paragraph (b) of this section, for each enrolled employee who is paid biweekly is as follows:

For an employee enrolled for self alone.....	\$1.30
For an employee enrolled for self and family.....	3.12
For a female employee enrolled for self and a family which includes a non-dependent husband.....	1.82

(b) The biweekly Government contribution for each employee or annuitant enrolled in a plan whose total enrollment charge is less than twice the appropriate contribution listed in paragraph (a) of this section is fifty percent of the enrollment charge, except that the Government contribution for a female employee who is enrolled for herself and a family including a nondependent husband is thirty percent of the enrollment charge.

(c) The Government contribution for annuitants and for employees who are not paid biweekly is a percentage of that

fixed by paragraphs (a) and (b) of this section proportionate to the length of the pay period, rounding fractions of a cent to the nearest cent.

(d) The Government contribution for employees whose annual salary is paid during a period shorter than 52 work weeks shall be determined on an annual basis and pro-rated over the number of installments of pay regularly paid during the year.

§ 89.22 Reserves.

(a) The enrollment charge consists of the rate approved by the Commission for payment to the plan for each employee or annuitant enrolled, plus four percent, of which one part is for an administrative reserve and three parts are for a contingency reserve for the plan.

(b) The administrative reserve shall be credited with (1) the one one-hundred-and-fourth of the enrollment charge set aside for the administrative reserve, and (2) income from investment of the reserve. The administrative reserve is available for payment of administrative expenses of the Commission incurred under this part.

(c) The contingency reserve for each plan shall be credited with (1) the three one-hundred-and-fourths of the enrollment charge set aside for the contingency reserve from the enrollment charges for employees and annuitants enrolled for that plan, (2) income from investment of the reserve, and (3) all dividends, rate adjustments, or other refunds made by the plan.

§ 89.23 Certificates of dependency.

(a) When an employee enrolls for a family which includes a dependent husband, the employing office shall require a certificate of a physician that the husband is incapable of self-support because of a physical or mental disability that can be expected to continue for more than one year. The certificate must include a statement of the name of the husband, the nature of his impairment, the period of time it has existed, and its probable future course and duration. The certificate must be signed by the physician and show his office address.

(b) When an employee enrolls for a family which includes a child incapable of self-support who has reached the age of 19, the employing office shall require a certificate of the physician that the child is incapable of self-support because of a physical or mental incapacity which existed before the child became 19, and can be expected to continue for more than one year. The certificate must include a statement of the name of the child, the nature of his impairment, the

period of time it has existed, and its probable future course and duration. The certificate must be signed by the physician and show his office address. When an employee is enrolled for a family which includes a child under 19 who is incapable of self-support because of a physical or mental incapacity, the certificate must be filed with the employing office on or before the child's 19th birthday, except that a carrier may accept evidence of incapacity not timely filed.

(c) A certificate of incapacity must be renewed upon the expiration of the minimum period of disability certified.

(d) Determinations of incapacity shall be made by the employing office.

§ 89.24 Employee appeals.

(a) An employee or annuitant may appeal a refusal of an employing office to permit him to register to enroll. The appeal shall be made in writing, within 30 days of the refusal, to the Bureau of Retirement and Insurance, United States Civil Service Commission, Washington 25, D.C.

(b) An employee or annuitant may appeal a refusal of the Bureau of Retirement and Insurance to permit him to register to enroll. The appeal shall be made in writing, within 90 days of the refusal, to the Board of Appeals and Review, United States Civil Service Commission, Washington 25, D.C.

(c) The Commission may order prospective correction of administrative errors as to enrollment at any time.

(d) The Commission does not adjudicate individual claims for payment or service under health benefits plans, nor does it arbitrate or attempt to compromise disputes between an employee or annuitant and his carrier as to claims for payment or service.

§ 89.25 Legal actions.

Actions to compel enrollment of an employee or annuitant not excluded by § 89.2 should be brought against the employing office. Actions to recover on a claim for health benefits should be brought against the carrier of the health benefits plan. Actions to review the legality of the Commission's regulations or a decision made by the Commission should be brought against the United States Civil Service Commissioners, whose address is Eighth and F Streets NW., Washington 25, D.C.

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] MARY V. WENZEL,
Executive Assistant.

[F.R. Doc. 60-3088; Filed, Apr. 1, 1960;
10:14 a.m.]

